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No. 2759

IN THE
United States Circuit Court of Appeals
FOR THE NINTH CIRCUIT

COLUMBIA GRAPHOPHONE
COMPANY,

Defendant-Appellant,
vs.

SEARCHLIGHT HORN COM-
PANY,

Plaintiff-Appellee.

Appeal in
Equity.
(Patent
Suit.)

ON THE NIELSEN PHONOGRAPH HORN
PATENT, No. 771,441

BRIEF FOR DEFENDANT-APPELLANT

FILED
MAY 1

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APPEAL FROM DECREE BY U. S. DISTRICT
COURT, NORTHERN DISTRICT OF CALI-
FORNIA, SECOND DIVISION, SUS-
TAINING THE NIELSEN "HORN"
PATENT No. 771,441.

BRIEF FOR DEFENDANT-APPELLANT.

STATEMENT.

This is a patent suit, coming from the Northern District of California, Judge VAN FLEET.

The suit is based on U. S. Letters-patent No. 771,441, granted Oct. 4, 1904, to Peter C. Nielsen, for "Horns for Phonographs or Similar Machines." Claims 2 and 3 only are in issue.

The interlocutory decree of the Court below sustains said Claims 2 and 3 as valid and infringed, and awards an injunction and an accounting.

The appellant here, the Columbia Graphophone Co. (whose former name was "Columbia Phonograph Company, General"), was the defendant below, and will hereafter be referred to as "defendant" or "Columbia Co." The appellee here, the Searchlight Horn Co., was the plaintiff below, and will hereafter be referred to as "plaintiff" or "Searchlight Co."

The Defenses are:

- (1) Lack of patentable novelty and invention in view of the Prior Art.
- (2) Non-infringement in view of the limited scope of the Nielsen Patent (if valid).
- (3) Laches.

Even should the defenses of invalidity and non-infringement and laches be held insufficient to require complete dismissal of the bill, nevertheless plaintiff is not entitled to an *accounting*.

It will be helpful to refer briefly to the status of the Nielsen Patent before this Court, and to explain how the present Record has been made up.

I. STATUS OF NIELSEN PATENT BEFORE THIS COURT.

Although the Nielsen Patent has been involved in prior litigation, and has even been before this Court several times, yet the present appellant was *not a party* to the prior litigation, and the present appeal brings up *new* defenses. Moreover this Court is not precluded from considering the Patent *ab initio* and holding it invalid in view of merely the old evidence taken in former litigation against *other* parties.

Mast, Foos vs. Stover, 44 Law. Ed. 856; 177 U. S. 485.

In fact, this Court has never felt called upon before this time to pass, directly and judicially, upon the validity of the Nielsen Patent; and this Court has not yet considered the patentable novelty or lack of patentable novelty of the Nielsen disclosures.

That is to say, it was by *writ of error* that the Patent came before this Court the first time,—a writ of error on behalf of Sherman-Clay & Co., a defendant in an action at law before a jury. And on that occasion this Court (214 Fed. 86) confined itself to the questions of *law* with respect to (1) admission or rejection of evidence, and (2) instructions to the jury; and the adjudication by this Court was that the issues of *validity* and *infringement* had been properly left to the *jury* by the trial Judge. Although this Court did refer, on that occasion to the meagre prior art there adduced, nevertheless the pre-

cise question then decided by this Court was whether the primary issues of validity and infringement had been properly left to the *jury*, and this Court expressly adjudged that those primary issues *were* for the jury—and for the jury *alone*—and were *not* for either the trial Judge or the appellate Judges to decide. See *Sherman-Clay & Co. vs. Searchlight Horn Co.*, 214 Fed. 86, when this Court made the following explicit statements (emphasis ours) :

“Whether this construction of the Nielsen horn constituted invention was a question of fact *for the jury*, and which the court submitted *to the jury* with appropriate instructions.” (Middle of page 93.)

“The whole question [of invention], under the testimony, was *for the jury*, and it was clearly and accurately submitted *to them* under the instructions given.” (Middle of page 94.)

“The whole question of infringement was left *to the jury*, and they were instructed on that subject.” (Bottom of page 97.)

“Obviously, the giving of such instructions [certain instructions defining the scope of the Nielsen Patent, requested by that defendant and refused by the trial Judge] would have been error, for by them the whole doctrine of mechanical equivalents * * * would have been taken from the jury, and it [the jury] would have been directed as to the verdict which it should return on one of the important questions arising in the case, the determination of which, in the light of the conflicting testimony, was clearly and *solely* within its [the jury’s] province.” (Bottom of page 98.)

The Nielsen Patent was also before this Court on appeal from the *preliminary injunction* granted in

a subsequent suit against the same original defendant (Sherman-Clay & Co.), on the basis of the verdict and judgment aforesaid. [And also on companion appeals from similar preliminary injunctions granted against the Pacific Phonograph Co. and against Babson Bros.]. But in disposing of those appeals (214 Fed. 99, on page 100), this Court confined itself to holding that, inasmuch as the prior verdict and judgment aforesaid had sustained the Patent as valid and as covering the Sherman-Clay horns, therefore the District Court did not abuse its discretion in granting preliminary injunction under said Patent against the same horns in the hands of the same defendant Sherman-Clay [and against similar horns in the hands of said Pacific Co. and said Babson Bros.]. And again this Court refrained from passing upon the prior art or the validity and scope of the Nielsen Patent.

The rule of *stare decisis* may quite properly be invoked in the lower Court as ground for again sustaining the Nielsen Patent; in *this* Court that rule does not apply. This Court is not precluded from considering at this time the questions of FACT now for the first time presented for decision *by this Court*,—nor from deciding (for the *first* time) whether, in view of all the evidence, the Nielsen Patent is valid or invalid. Moreover, the present cause is an independent suit, against a *new* defendant, not a party or privy to any former litigation; and in the present record are *new defenses*, which were not before the jury in the former cause, and never before presented in *this* Court.

Andrews vs. Hovey, 31 Law. Ed., 160; 123 U. S., 267.

Same vs. Same, 31 Law. Ed., 557; 124 U. S., 694.

Greene vs. City of Lynn, 55 Fed. Rep., 516.

Mast, Foos vs. Stover, 44 Law. Ed., 856; 177 U. S., 485.

Rumford vs. Hygienic, 54 Law. Ed., 137; 215 U. S., 156,—

Affirming 83 C. C. A., 177; 154 Fed. Rep. 65;

And Reversing 86 C. C. A. 416; 159 Fed. Rep., 436.

On this general subject, however, we do not need to go beyond this Court.

Truman vs. Carrill Mfg. Co., 87 Fed. 470, is a leading case; and there are so many points of similarity between that case and the present one, we beg leave to quote the following from Judge MORROW'S Opinion:

“To establish the validity of the patent, the complainant relies, for the most part, upon the decision of the circuit court of appeals for this circuit, affirming the judgment of this court in the case of *Truman v. Holmes*, 14 C. C. A. 517, 67 Fed. 542, and contends that it is res judicata, and concludes the defendant from denying the validity of the patent. * * *

“It is true that, in suits where a preliminary injunction is asked for, the fact that the same

patent has been sustained in other cases will often justify the court in granting the preliminary injunction."

(Citing numerous cases.)

"But no question of the propriety of granting a preliminary injunction arises now. The case is to be disposed on its merits. So far as appears, this is the first time that this particular defendant has had his day in court. It furthermore appears affirmatively that some additional testimony has been introduced to that presented in the action at law relied on as *res judicata*. To what extent the evidence in the two cases differs on all the issues presented, does not clearly appear; * * *

"While the case of *Truman v. Holmes* may be considered as conclusive authority to establish the validity of the patent, insofar as the defense of prior use, or other defense presented in that case, may be concerned, still it is obvious that it is not conclusive in this case, where a different defendant is involved, upon the defense of prior publication; it appearing affirmatively that other and additional evidence has been introduced in the case at bar to support that defense, which was before the court in *Truman v. Holmes*. The following authorities—without entering into a discussion of them—will be found to support the views I have taken of the effect of the judgment in the case of *Truman v. Holmes*, *supra*, as applied to the case at bar: *Russell v. Place*, 94 U. S. 606; *Potter v. Whitney*, 1 Low. 87, Fed. Cas. No. 11,341; *Page v. Telegraph Co.*, 2 Fed. 330; *Day v. Rubber Co.*, *Id.*, 570; *Wilson v. Coon*, 6 Fed. 611; *Consolidated Safety-Valve Co. v. Ashton Valve Co.*, 26 Fed. 319; *Lockwood v. Faber*, 27 Fed. 63; *Machine Co. v. Hedden*, 29 Fed. 147; *Cary v. Manufacturing Co.*, 31 Fed. 344; *Miller v. To-*

bacco Co., 7 Fed. 91; Norton v. Wheaton, 57 Fed. 929; Southern Pac. Co. v. Earl, 27 C. C. A. 185, 82 Fed. 690; 3 Rob. Pat. Sec. 1175 et seq.; 21 Am. & Eng. Enc. Law, 128, 227. The court therefore feels compelled to consider the case upon its merits, and to pass its own independent judgment upon the defense now presented, as to which additional evidence has been introduced.

This rule, so clearly stated by Judge MORROW, has been frequently followed in this Court. See:

Wheaton vs. Norton, 70 Fed. 833 (Ninth C. C. A.), see 41 Law. Ed. 810; 165 U. S. 518.

Norton vs. Jensen, 90 Fed. 415, 421 (Ninth C. C. A.)

The difference in proof in the case at bar from the Sherman-Clay & Co. case involves the following essentials:

- (1) The purely speculative character of this suit.
- (2) Testimony conclusively proving that the so-called "problem" of the patentee Nielsen was not solved in any such way specified by him or that any such advantages inured to his horn as he claimed to the Patent Office and as specified in his patent.
- (3) Prior publications not previously in evidence and completely negativing invention by Nielsen.
- (4) Conclusive testimony to the effect that the popularity of the Nielsen or Flower Horn was due

to other causes than that of merit of the device, and whatever success it met with was due to greater business efforts and advertising.

(5) A full and complete record of the prior Villy patent and its subsequent Reissue and of plaintiff's practices under this patent.

(6) Proof that the Nielsen Patent if valid at all is limited to a butt seam with outstanding flanges.

II. THE PRESENT RECORD.

Under date of March 11, 1913, John H. Miller, Esq., as counsel for the Searchlight Co., sent defendant written notice of the infringement complained of (R., p. 55). As Mr. Miller was in San Francisco and the defendant in New York City, said notice was not received until several days later, about March 19, 1913 (on which latter date it was acknowledged by us,—R., p. 55).

The Bill of Complaint was filed July 24, 1913, and whatever delays may have occurred *since* then were due to mutual consent, and will not be prejudicial to either side.

When said notice of March, 1913, was given, the Sherman-Clay suit had already been tried. Judgment had been entered therein on Oct. 14, 1912 (R., p. 55). Five months later Mr. Miller gave defendant his said notice of March, 1913; and then followed correspondence between the present parties.

Meanwhile testimony was being taken, by way of depositions, in plaintiff's two equity suits referred to (against said Sherman-Clay & Co., and against said Pacific Phonograph Co.). In order to save expense to both parties in the present suit, and to avoid the unnecessary duplication of testimony, it was stipulated in the present suit that the parties might refrain from taking independent proofs *de novo*, and might avail themselves of any proofs found in the other equity suits aforesaid; and that in this suit the trial Court should enter a decree in conformity with whatever decree should be entered in the suit against said Pacific Co., reserving the right of independent appeal.

Proofs were taken and completed in the suit against said Pacific Co., and that cause was tried and argued in due course, and a decree awarded in plaintiff's favor; and a similar decree was thereupon entered in the present suit, without further trial or argument.

We now appeal from the last-named decree; and the record here brought up comprises the pleadings in this suit, certain stipulations between counsel for the parties hereto, and certain proofs selected by each side from the prior suits (consisting of affidavits, depositions, oral testimony, and exhibits.)

Finally, we remind the Court that the present defendant-appellant, the Columbia Co., is neither a

party nor a privy to any of the former litigations on the Nielsen Patent; that this is an independent suit, to be tried and decided on its own merits, under the authorities last cited.

INVALIDITY.

The pertinent matters are: the *material* of which Nielsen says his horn is composed; the *shape* of the horn disclosed by the Patent; the *construction* of the Nielsen horn (that is,—the way its separate parts are shaped and put together); and the *behavior* of the Nielsen horn,—particularly as an “acoustic” device, and as to its *acoustic properties*. These four heads comprise EVERYTHING pertinent that can be said, or conceived, concerning the Nielsen horn and Nielsen’s alleged “invention.”

I. The MATERIAL of Nielsen’s horn—sheet-metal—was the common and ordinary material of the prior phonograph-horns. Nielsen has not contributed to the art any new material.

II. The SHAPE of Nielsen’s horn—a “bell-mouthed” funnel—was the common and ordinary form of phonograph-horns in the prior art. Nielsen has not contributed to the art any new shape.

And the Record shows many a prior phonograph-horn that embodies both the shape and also the material of the Nielsen horn.

III. The CONSTRUCTION of Nielsen’s horn—a “plurality” of tapering sections or “gores” of

sheet-metal, so fastened together (along their meeting edges) as to produce longitudinal "stiffening-ribs"—had previously been employed in phonograph-horns, and in *other* devices of funnel-like shape.

The two features emphasized by Nielsen (and by plaintiff) are, (1) the *sectional* structure of the horn, and (2) the uniting of the sections by connections that constitute longitudinal "ribs,"—primarily being merely incidental to the juncture of two sections of sheet-metal, secondarily serving as "stiffening-ribs," and asserted by plaintiff to serve as insulation of the wall-vibrations.

Although Nielsen shows and describes his separate gore-sections as having *curved* meeting edges, so that, when assembled, they constitute an outwardly-curving funnel, yet the *Claims* of the Nielsen Patent are broad enough to cover a cone-like or non-curving horn—a straight-tapered funnel—in the shape of a pyramid with *straight* faces, made up of flat *uncurved* gore-sections having straight-line edges.

Now the devices of the prior patents in evidence may be grouped into three pertinent classes, viz.:

1. Prior "phonograph-horns" in the form of outwardly-curving funnels, of various materials—wood, paper, sheet-metal (brass, tin). The *curving* "flare" was not new with Nielsen, neither was the choice of any particular material.

2. Other prior "phonograph-horns" in the form of ordinary or straight-tapered funnels of various

materials, made up of a *plurality* of longitudinal “gore-sections” so joined together along their straight meeting-edges as to produce longitudinal stiffening-ribs. The use of longitudinal gore-sections in a phonograph-horn was not new with Nielsen; neither was it new to connect said sections so as to produce a sectioned phonograph-horn having longitudinal stiffening-ribs; and if those ribs serve *in Nielsen* to interrupt or insulate the metallic vibrations of the separate gore-sections, then the ribs in the earlier phonograph-horns served the *same* function.

3. Also, prior *curving funnels* of sheet-metal made up of a plurality of gore-sections, each section having *curved* edges, so as to constitute (when assembled) a funnel of the outwardly-curving flare shown by Nielsen’s drawings. In these last-named sheet-metal funnels, the curved sheet-metal gore-sections are united along their curved meeting edges by external connections which constitute longitudinal stiffening-ribs; and these prior-art outwardly-curving sheet-metal *funnels* can be used without change or modification as “phonograph-horns.” In fact, a phonograph-horn is, after all, nothing more or less than a *funnel* fitted on a phonograph.

At this point we remind the Court that the Nielsen Patent is *not* a “design Patent.” If valid, it would be infringed by any *later* funnel-like device which embodies the mechanical combination claimed by Nielsen, even if such later device should not pre-

sent to the eye the appearance of the horn shown by Nielsen's drawings; and, in like manner, the Nielsen Patent will be anticipated by any *prior* funnel-like device which embodies the mechanical construction defined by Nielsen's patent-claims, even if such prior device does not "look like" the particular "morning-glory" horn shown in Nielsen's drawings. The Nielsen Patent is a "mechanical patent," *not* a "design patent."

IV. The FUNCTION of the Nielsen horn is not new. The Nielsen horn performs the same old function, in the same old way. The *sole* function of a "phonograph-horn" is to serve as a conduit for the sound-waves, directing them inwardly for *making* a sound-record, or directing the sound-waves outwardly and amplifying them in *playing* a record already made. The Nielsen horn does this and *nothing else*,—it does not produce any new or improved *acoustic* results,—or new results of *any* sort.

It is obvious that a phonograph-horn should not be a loosely-constructed, flimsy affair which would rattle and jar and produce mechanical noises. But that is a mere mechanical job, within the reach of ordinary workmen; and in that respect Nielsen has contributed *nothing* novel.

Another obvious consideration is the *size* of the horn. Its length and the size of its outer end or "mouth" determine the *volume* of air enclosed within the horn; and, other things being equal, the longer

and larger the horn (and the greater the volume of air within the horn), the louder and fuller the reproduction from the phonograph, and the better the music will sound. Nielsen is silent on this subject, and therefore has contributed *nothing* in this respect.

Finally: Take any two horns of the same material and of substantially the same dimensions (for enclosing substantially the same volume of air); but let only one of them be made up of longitudinal gore-strips united by stiffening-ribs, in accordance with Nielsen's alleged invention, while the other horn does *not* embody the sections or the ribs (the two horns being as nearly alike as possible in material and shape and size, and in all other respects except that one is the Nielsen sectional horn with ribs, and the other is "unitary" and without ribs). Then if the same sound-record be played upon a phonograph equipped with first the one horn and then the other,—it is absolutely impossible for any listener to distinguish one horn from the other by merely *listening* to the playing of the phonograph. In short, Nielsen's alleged invention has contributed no new result of any other kind.

Nielsen's alleged achievement may be regarded in either of two aspects. Either he has taken an ordinary form of "phonograph-horn" (frequently made up of a unitary piece of sheet-metal) and modified it by making it up of a *plurality* of parts (or gore-sections); or, he has taken an old funnel, already in use for some other service, and employed

it as a "phonograph-horn." But in no aspect does Nielsen's alleged achievement amount to patentable invention.

1. A change from a *unitary structure* to a *sectional structure* (or vice versa) does not change the identity of the article. It does not amount to invention on the one hand nor does it avoid infringement on the other.

Howard vs. Detroit Stove Works, 150 U. S., 160, 174; 37 Law. Ed., 1039, 1041.

Mfg. Co. vs. Holtzer, 15 C. C. A., 63; 67 Fed. Rep. 907.

Standard vs. Caster, 51 C. C. A., 109; 113 Fed. Rep., 162, 165-6.

2. For playing the phonograph, *any* funnel-shaped device will serve, provided it fits on the phonograph and is not too flimsy; and, of course, the funnel should be of large enough dimensions to contain a substantial volume of air. True, some individuals may deem certain devices better for the purpose than others, while other individuals may make just the opposite choice; but the fact should not be overlooked that a phonograph-horn is *just a funnel*, and that *any* funnel-shaped device—that of Gersdorff, for instance—can be taken as a pattern which an ordinary workman can vary in dimensions. So that, in looking around for a funnel-shaped device suitable for this purpose, all Nielsen has done is to take a Gersdorff funnel just as it stands, of a size to fit upon a phonograph.

But what Nielsen has done is mere "double use," and not patentable. Nielsen is not claiming a new "combination" but an alleged "new *horn*" per se. If Nielsen's Patent be valid, anyone building the identical device shown in that patent and then using it as a funnel to pour vinegar into a barrel, would be an infringer of the Nielsen Patent, because a patentee is entitled to every use to which his patented device can be put, whether he conceived of that use or not.

Miller vs. Eagle, 38 Law. Ed. 121; 151 U. S. 186.

Ansonia vs. Electric, 36 Law. Ed. 327, 329; 144 U. S. 11, 18.

Lovell vs. Carey, 37 Law. Ed. 307, 312; 147 U. S. 623, 637.

Roberts vs. Ryer, 23 Law. Ed. 267, 270; 91 U. S. 150, 157.

And, in like manner, during the lifetime of Gersdorff's Patents anyone who built an identical Gersdorff device and used it as a *phonograph-horn* would be an infringer of Gersdorff's patent-rights. And, further, since the Gersdorff funnel when used as a phonograph-horn would *infringe* Nielsen's Patent, and since the Nielsen horn if used as a funnel would have infringed Gersdorff's patents, therefore Gersdorff as the earlier anticipates Nielsen who is later.

Peters vs. Active, 32 Law. Ed. 738; 129 U. S. 530.

Thatcher vs. Burtis, 30 Law. Ed. 942; 121 U. S. 286, 295.

Grant vs. Walter, 37 Law. Ed. 552, 557; 148 U. S. 547, 554.

Gordon vs. Warder, 37 Law. Ed. 992; 150 U. S. 47.

Knapp vs. Morss, 37 Law. Ed. 1059; 150 U. S. 221.

Miller vs. Eagle, 38 Law. Ed. 121, 129; 151 U. S. 186, 203.

Finally, if a device be found in one art and transferred bodily to a remote and non-analogous art, nevertheless it remains the *same* device, and there is nothing patentable in its new place of use. It is only where a new “combination” is produced, or where some *change* in the device has been required to adapt it to the new use, or where some *additional feature* has to be devised to connect it up with the other elements in the new use, or where inventive *ingenuity* is involved in the transfer, that such transfer is ever regarded as patentable.

Stearns vs. Russell, 29 C. C. A. 121; 85 Fed. 218, 229-231.

Roberts vs. Ryer, 23 Law. Ed. 267, 270; 91 U. S. 150, 157.

Aron vs. Manhattan, 33 Law. Ed. 272, 275; 132 U. S. 91, 98.

Ansonia vs. Electric, 36 Law. Ed. 327, 329; 144 U. S. 11, 18.

Lovell vs. Carey, 37 Law. Ed. 307, 312; 147 U. S. 623, 637.

Knapp vs. Morss, 37 Law. Ed. 1059, 1062; 150 U. S. 221, 227-8.

Mast, Foos vs. Stover, 44 Law. Ed. 856; 177 U. S. 485.

Had no one, before Nielsen, ever used on a phonograph *any* sound-amplifying conduit or horn, then there might be invention in taking an ordinary funnel (used for *other* purposes) and *for the first time* amplifying the music of a phonograph. But horns were always used with phonographs, and Nielsen merely selected one specific kind of horn in place of the innumerable phonograph-horns already in use; Nielsen produced no new combination of phonograph plus horn.

“EXTENT OF USE,” “COMMERCIAL SUCCESS” UNSAFE CRITERION OF INVENTION.

The fact of extensive use or great commercial success does not convert a case of “double use” into a patentable invention. There must be some degree of “ingenuity” in *transferring* the device from the old art, and some degree of novelty and ingenuity in *adapting* the old device to the new service, and —above all—the question of patentable novelty must be otherwise IN DOUBT, and fairly balanced, and all other tests of patentability found insufficient to determine the question, before evidence of commer-

cial success can be accepted for any purpose. And, even then, evidence of commercial success is merely presumptive evidence of greater *utility*, and “is not conclusive of that; much less of its patentable novelty.” The Supreme Court has called it “an unsafe criterion.” And where [as here] commercial success can be reasonably attributed to some *other* cause, such as the attractive *appearance* of the flower horns, and extensive advertising, proof of extensive sales constitutes little or no evidence of even the utility of the alleged *invention*.

Hollister vs. Benedict, 28 Law. Ed. 901, 905; 113 U. S. 59, 72.

McClain vs. Ortmayer, 35 Law. Ed. 800, 803-4; 141 U. S. 419, 427-9; Syllabus 8 and 9.

Lovell vs. Carey, 37 Law. Ed. 307, 311; 147 U. S. 623, 635; Syllabus 4.

Grant vs. Walker, 37 Law. Ed. 552, 557; 148 U. S. 547, 556.

Duer vs. Corbin, 37 Law. Ed. 707, 710; 149 U. S. 216, 224.

Olin vs. Timken, 39 Law. Ed. 100, 105; 155 U. S. 141, 155.

Amer. Sales Book Co. vs. Bullivant, 117 F. R., 255—9th C. C. A.

Klein vs. Seattle, 77 F. R., 200—9th C. C. A.

ASSIGNMENTS OF ERROR.

The various Assignments of Error amount in substance to the assertion that the Nielsen Patent is invalid in view of the prior art; that, if valid, it must be so strictly construed as not to cover defendant's horns; and that plaintiff's inactivity continued so long as to bar any relief in a Court of Equity, and certainly to preclude accounting (even if the injunction be affirmed).

The formal assignments are as follows:

1. That the District Court of the United States for the Northern District of California erred in holding that the claims of plaintiff's patent, or any of them, and especially Claims 2 and 3 sued on, were, or either of them, valid.
2. That the District Court of the United States for the Northern District of California erred in holding that the claims of plaintiff's patent, and especially the claims sued on, were not each and all anticipated by the prior art.
3. That the District Court of the United States for the Northern District of California erred in holding that the claims of the plaintiff's patent sued on, or any of them, represented a patentable invention.
4. That the District Court of the United States for the Northern District of California erred in

finding that more than mere mechanical skill was exhibited by Nielsen in view of the prior art.

5. That the District Court of the United States for the Northern District of California erred in not finding that on the evidence the Nielsen Patent was without patentable utility and novelty.

6. That the District Court of the United States for the Northern District of California erred in finding any utility in a horn constructed in full accordance with all of the disclosures of the Nielsen Patent which was not found equally well and to the same extent in horns of the prior art.

7. That the District Court of the United States for the Northern District of California erred in finding that there was no prior publication of the features embodied in the claims of the Nielsen Patent, such as would invalidate it.

8. That the District Court of the United States for the Northern District of California erred in not holding that the design of the Nielsen patented horn was without utility.

9. That the District Court of the United States for the Northern District of California erred in determining and deciding that the patentee of the patent in suit was the first and original, or any inventor or discoverer of the said alleged invention as described and claimed in the said patent and the specifications annexed thereto.

10. That the District Court of the United States for the Northern District of California erred in holding that Claim 2 of the Nielsen Patent in suit was infringed by the defendant.

11. That the District Court of the United States for the Northern District of California erred in holding that Claim 3 of the Nielsen Patent in suit was infringed by the defendant.

12. That the District Court of the United States for the Northern District of California erred in holding that the defendant infringed any of the claims of the Nielsen Patent in suit.

13. That the District Court of the United States for the Northern District of California erred in construing the claims of the Nielsen Patent so broadly as to include any horns used or sold by the defendant.

14. That the District Court of the United States for the Northern District of California erred in enjoining the defendant.

15. That the District Court of the United States for the Northern District of California erred in granting an injunction against the defendant, on the ground that the plaintiff was not entitled to such relief because of laches, as set forth in defendant's answer.

16. That the District Court of the United States for the Northern District of California erred in

ordering an accounting by the defendant on the ground that the plaintiff was not entitled to such relief because of laches, as set forth in the defendant's answer.

17. That the District Court of the United States for the Northern District of California erred in ordering an accounting by the defendant on the ground that the plaintiff failed to show that its horns made under the Nielsen Patent were marked "Patented" as required by law.

18. That the District Court of the United States for the Northern District of California erred in ordering an accounting by the defendant on the ground that the plaintiff has failed to show that it notified the defendant of its alleged infringement of the Nielsen Patent in suit.

19. That the District Court of the United States for the Northern District of California erred in not finding and holding that on the evidence the Nielsen Patent was void as containing less than the whole truth relative to the alleged invention or discovery or more than was necessary to produce the desired result, in that the so-called results of the Nielsen Patent were not and are not obtainable by the method or methods or construction therein shown, or described, or claimed.

20. That the District Court of the United States for the Northern District of California erred in not holding that the so-called extensive or general use

of the Nielsen patented horn was due to extensive advertising or greater business efforts in bringing the horns to the attention of the public rather than to any particular merit of the device.

21. That the District Court of the United States for the Northern District of California erred in finding in favor of the plaintiff and against the defendant on the ground that the evidence was insufficient to support the findings of the Court.

22. That the District Court of the United States for the Northern District of California erred in sustaining the bill of complaint.

23. That the District Court of the United States for the Northern District of California erred in not dismissing the complaint as prayed for by the defendant.

BRIEF OF ARGUMENT FOR DEFENDANT-APPELLANT.

Before entering upon our argument, we shall first formulate and establish the fundamental facts, viz.: what a “phonograph-horn” is, and how it operates; what the unquestioned prior art discloses; and what Nielsen discloses,—what advances, if any, he has contributed to the art. We shall then demonstrate that, on the one hand, he has merely modified prior phonograph-horns in a well-known manner, but without obtaining any new or improved results; and that, on the other hand, he has merely made “double use” of prior devices without any modification. And we shall conclude by showing, under the controlling decisions, that in no aspect was Nielsen entitled to a patent.

WHAT IS A PHONOGRAPH-HORN?

Primarily, a phonograph-horn is used in “recording,”—that is, in making a sound-record on the phonograph. In such service the singer sings into the larger end of the horn; and the horn is a mere *funnel*, serving as an *inert* “conduit” for receiving the sound-waves (coming from the mouth of the singer or from the instruments of a band or orchestra) and letting them pass into the smaller opening in front of the diaphragm of the recording-device,—in other words, functioning like any other ordinary funnel. The aim, in recording, is to cause

the recording-stylus—a small cutting-chisel—to vibrate *precisely* in accordance with the music or articulate speech sought to be recorded. Therefore, the sound-transmitting conduit,—the “funnel” or “horn” used in recording—should not impart to the *desired* original sound-waves any sound-waves of its own. The recording-horn should be absolutely *inert*,—a *mere* funnel or conduit and nothing else. *Any* funnel-shaped device will serve for the purpose, when properly fitted upon the phonograph. Of course it must not be too flimsy, else it would produce a jarring or rattling noise and would be liable to set up vibrations of its own.

All this was well understood long prior to Nielsen. He contributed nothing novel in this respect. Some record-makers prefer the funnel or horn to taper at one angle, and some prefer another taper; some prefer one length of recording-horn, and some another length; some prefer one material, and some another material. It is all a mere matter of selection or choice; and, as stated, it was well known that *any* tapering or funnel-shaped device could be used for the purpose.

Next, the phonograph-horn is used on the phonograph in “reproducing,”—that is, in playing a record already made. In this service also, the horn is a “conduit,” an *inert* conduit, for transmitting to the listeners the sound-waves created by the vibrations of the diaphragm. And, as in recording, it was well known that, in reproducing (or playing)

the record, *any* flaring or funnel-shaped device could be fitted on the phonograph and employed as a horn.

Mr. Emmons, a professional record-maker, after sixteen years work in the Edison laboratory was asked in cross-examination by plaintiff's counsel (page 393) :

“XQ30. If a horn is a good one for *recording*, would it necessarily follow that that same horn would be good for *reproducing* when connected to a phonograph? A. Yes, sir” (emphasis ours).

And Mr. Walter H. Miller, after *twenty-five* years experience in the Edison laboratory, in answer to cross-question 210 by plaintiff's counsel (page 371) stated that:

“Every reproducing-horn can be used as a recording horn. But usually in *reproducing* a large horn is preferable. If too large a horn is used for *recording* it will, under certain conditions, utter more sound than the recorder can take care of, that is to say, the recorder will be too sensitive” (emphasis ours).

When used for reproducing, the phonograph-horn acts precisely like an ordinary speaking-trumpet or megaphone,—

“as a vehicle [conduit] for amplifying or making more audible the sounds that are transmitted through it from the diaphragm of the phonograph,” *in contradistinction* to the behavior of “a musical horn, such as a cornet, trombone, or like instrument,” where the musical notes “are created in and by the vibrations

of the horn" (plaintiff's expert Vale, on pp. 828-9).

The Court should appreciate and bear in mind the distinction between the *volume of air* contained within the conduit or horn, and the "horn" itself (the tangible material constituting the wall or enclosure which confines said volume of air).

The Court should likewise bear in mind the distinction between the *air* itself (a concrete and ponderable substance, comprising a mixture of oxygen and nitrogen) and the "sound-waves" occurring in the air. A body of air can change its location, moving about from place to place,—a gust of wind, an air-blast, etc. But "sound-waves" are merely a manifestation of *motion*,—the to-and-fro *vibrations* of particles of air, which particles vibrate to-and-fro within a definite limit. Sound-waves consist of a series of alternating compressions and rarefactions of the air, analogous to the ripples that may be observed on dropping a stone into a pool of water. On the pool of water, however, the ripples occur upon the *surface* of the pool, practically a horizontal plane; whereas sound-waves are propagated uniformly in *every direction*, and have been likened by a great physicist to the layers of an onion,—a succession of spherical layers of condensation, alternating with similar spherical layers of rarefaction of the air. And, in a *recording* horn or funnel, the sound-waves behave in a manner somewhat analogous to the tides in the Bay of Fundy,—piling up, as it were, to produce a more appreciable effect upon

the recording-diaphragm at the inner end of the funnel. Hence also, as just quoted from Walter H. Miller, in *recording*, the funnel should not be *too* long, else we would get too strong a set of vibrations upon the diaphragm. But, in *reproducing*, the longer the better, within limits; because we thereby give a louder and better reproduction.

To resume the discussion: when used for “recording,” the funnel or horn is a mere inert conduit; and in “reproducing” it is likewise a mere inert conduit, whose sole functions are to confine the volume of air and to amplify and transmit the sound-waves. For amplifying purposes, the dimensions of the confined body of air—and that means, of course, the dimensions of the horn which confines the air—determine the amplifying power. Other things being equal, the greater the volume of air, and particularly the greater the *length* of this confined body of air,—that is, the greater the length of the horn [again analogous to the Bay of Fundy]—the greater the amplifying power of the horn or megaphone, and the louder the sounds emitted.

Further, loudness depends primarily upon the *volume of air* displaced; and by providing the outwardly-curving “bell-mouth” at the end of the horn or megaphone, a greater volume of air is set in consonant vibration before the sound-waves begin to be diffused beyond the mouth of the horn [Ganot’s Physics, 18th Ed., Sec. 242].

It is clear that the particular kind of *material* of which the funnel or horn is composed has absolutely

nothing to do with its amplifying power, any more than the particular kind of material of which the shores of the Bay of Fundy are composed has anything to do with the high tides there prevalent. Moreover, various different kinds of material were in use for phonograph-horns, such as wood, tough paper, metal (particularly brass), and specifically sheet-metal (tin).

Finally, the particular *shape* of a phonograph-horn (as distinguished from its size) has very little effect upon its sound-transmitting and sound-amplifying properties. Only two considerations are essential for a reproducing-horn: First, that, as in making the record, the reproducing-horn or funnel must not be flimsy or “rattly,” and (in theory, at least), should not create wall-vibrations of its own; and, Second, that the conduit should be tapered or funnel-shaped,—otherwise, on the one hand, we would approximate a straight “organ-pipe” device, with a definite and pronounced frequency of vibration, which would respond over-loudly for certain notes of the music, and would not respond to or amplify other notes; and, on the other hand, too wide a flare would not give the “Bay of Fundy effect” of amplifying the sound-waves.

But all that was well-known, and used practically, long before Nielsen.

To sum up: It was well known, long before Nielsen, that *in recording* the phonograph horn is a mere inert “conduit,” a *mere* “funnel”; that the

recording-horn can be used for “reproducing”; and that, *in reproducing*, the tangible horn itself should likewise be a mere inert conduit, a mere funnel, serving merely as a megaphone or speaking-trumpet to confine a volume of air and amplify the sound-waves received from the diaphragm. It was also well known that *any* flaring or funnel-shaped device could be employed in recording, and also that *every* such flaring or funnel-shaped device could likewise be employed in *reproducing*,—and, of course, that in either case such conduit must not be flimsy or “rattly” or liable to set up wall-vibrations of its own.

In conclusion, then, a reproducing-horn for a phonograph is nothing more nor less than a FUNNEL,—an *inert* funnel-shaped conduit; and, like any other megaphone or speaking-trumpet, its sole function is the *static* one of enclosing a body of air and amplifying the sound-waves. *Any* funnel that fits a phonograph will perform the function of a phonograph-horn.

THE NIELSEN PATENT.

(See cut and comparison at the back of this brief.)

As a matter of law, this Court has already ascertained (214 Fed. Rep. 86) what this document discloses and what it claims. Briefly, it discloses and claims a phonograph-horn having only *two* limita-

tions, viz.: (1) it must have *longitudinal strips* or “gore-sections,” and (2) at their lines of juncture must be *external* longitudinal “ribs” or seams.

The specification says the sections are of *sheet-metal*; but that was a mere choice of the usual material, and not a patentable distinction, and Claim 3 does not specify *any* material. The specification also says the horn is a “bell-shaped” affair,—that is an outwardly-curving funnel; but the Claims make no mention of this longitudinal curve, Claim 3 saying the horn is “tapered in the *usual* manner” (which might be either a *straight* cone or pyramid, or an *outwardly-curving* one), and Claim 2 saying the strips or gore-sections are “tapered from one end of the horn to the other” (which might be either a straight-edged strip or one with curved edges). The word “tapering” means merely diverging or converging—non-parallelism; it does not imply *curvature*,—if anything, just the opposite, as “a *tapering* mast,” “the rat has a *tapering* tail.” Further, Nielsen shows and describes what is known as “butt-flange” junctures, which *probably* are to be soldered together; and Claim 2 calls for “outwardly-directed flanges” for forming the connections and the “ribs”; but Claim 3 merely says the strips are “secured together” at their edges, and this Court and the Court below have held that *any* form of connection or seam will satisfy the Patent. Hence, as stated, the patented Nielsen horn has only the two limitations. The entire invention consists of only these two features, viz:

- (1) The longitudinal gore-sections,
- (2) The external ribs or seams along the junctures of the sections.

If Nielsen were merely proposing to utilize scrap-material, by piecing together,—or if he were merely undertaking to produce a curving horn of pleasing bell-shape,—clearly there would be nothing novel or patentable in his horn, both because that method of forming and uniting articles of that shape was old and well-known, and also because of the well-established rule that it is not invention to construct *sectionally* what has previously been constructed *integral*. *Howard vs. Detroit*, 150 U. S. 160, *Mfg. Co. vs. Holzer*, 67 Fed. 907.

But Nielsen's avowed object is *acoustic*: to "do away with" the usual and undesirable "mechanical, vibratory, and metallic sound," and to produce only the desirable sounds coming from the phonograph. And he asserts that these complementary effects are accomplished as the result of the sectional structure, the curvature longitudinal ribs, and ("in the usual manner"), but that—

"it is the longitudinal ribs *b²* which contribute mostly to the successful operation of the horn, said *ribs* serving to do away with the vibratory character of horns of this class as usually made and doing away with the metallic sound produced in the operation thereof."

In other words, the seams or "ribs" *stiffen* the horn and tend to prevent *wall-vibrations* of the

metal (as distinguished from the vibrations of the air-particles confined within the horn).

In short, Nielsen has merely a *sectional* horn, suitably braced and stiffened to keep it from being too flimsy and tin-panny!

If, on the other hand, Nielsen be correct in asserting that his sectional and longitudinally-ribbed horn does give the improved acoustic results aforesaid,—then the prior devices of similar construction, which we shall set forth later on, must of necessity behave in the same way and give the same results, and his patent is void for lack of novelty. And, on the other hand, if Nielsen's assertions are *untrue*, then his patent is void on *that* ground.

Where a patentee relies for validity upon the assertion of a new function or effect, the patent can be sustained only upon proof of the existence of the alleged function, that it was not only novel but also unexpected a priori.

“Whatever difference there may be [between the patented device and the prior art] might be expected from the difference in material. The new use required by the patentee of the interlocking joint produces no novel or unexpected results. The testimony wholly fails to show a new function, within the rules stated by this Court in *General Electric Co. v. Yost Electric Mfg. Co.*, 139 Fed. 568; 71 C. C. A. 552:

‘But it is thought that the assertion of a new function or effect should only be sustained upon proof of novel or unexpected

properties or uses capable of producing novel results.' " *New York Belting &*

Packing Co. v. Sierer, 158 Fed. 819, 822-3 (Second C. C. A.).

"The patentee's theory is that he will secure the needed elasticity by making the metal thinner close to the tapered portion, and for this purpose he provides the annular groove referred to. But whether he does in fact secure the elasticity he seeks is so much in doubt that we cannot regard it as proved. He did not testify himself, and the only evidence to support the theory was offered in rebuttal, and is so unsatisfactory that we cannot rely upon it safely. * * * We have no evidence therefore concerning the fact of the increased elasticity, and (theory for theory) we have a positive expert opinion that the groove will produce no such result as the patentee hoped. * * * On the ground, therefore, that the utility of the patent is not apparent, and that upon all the evidence we cannot avoid the conclusion that the groove in question serves no useful purpose, we are obliged to hold that the claims in suit are void.

"The decree dismissing the bill is therefore affirmed."

Schmidt vs. Central Foundry Co., 229 Fed. 157, 159 (Third C. C. A.).

We are unable to find in the record (nor have we any knowledge of) a single bit of competent legal proof that Nielsen's horn gives *any* acoustic improvement; and on the other hand, the record contains overwhelming affirmative proof to the contrary. Messrs. Hawthorne (R., p. 496), Walter H.

Miller (p. 320), Emmons (p. 389), Kaiser (p. 438), after almost a generation of actual and practical experience as phonograph-experts, and Mr. Rudolph M. Hunter, the celebrated talking-machine expert, and as the result of careful and accurate scientific comparison, are *unanimous* in testifying that the playing of the phonograph when using the *Nielsen* horn sounds no whit better in any respect than when using *other* horns,—in fact that the *Nielsen* horn is not quite so good as some prior horns.

On the opposite side we find the testimony of Mr. Locke (plaintiff's President), of Mr. Baldwin Vale (a young man in the office of plaintiff's counsel), and Mr. Merritt and Mr. Pettit (formerly salesmen in the phonograph-business).

Mr. LOCKE admits that the *Nielsen* horn is *not* any better than the *Villy* horn (the *Searchlight folding-horn*), in fact that it was *not* so good as another horn, known as the “*Parabolic Horn*.” Mr. Locke, in answer to XQ. 110 (p. 186), says:

“I *never could* see any material difference in the reproduction with the *folding* horn or with the regular *flower* horn” (emphasis ours);

and in answer to XQ. 108 says:

“We always claimed that it [the *Parabolic Horn*] was a better horn, but the trade did not respond; they preferred the *flower* horn.”

Mr. MERRITT gives *hearsay testimony*, speculating as to matters of opinion which he says existed ten years previously (R., 125-126):

"It [the Nielsen Horn] was found to give a rounder, fuller tone and eliminate a great deal of the metallic tone or vibration of the horn. * * * that it was *generally recognized* that the flower horn because of its shape and construction gave a rounder and fuller tone and eliminated those undesirable vibrations that caused the confused sounds and blasts particularly in connection with certain notes or certain quality of tones that cause sympathetic response from the old metallic horn. It was found, as I have already said, that by dividing the horn up into sections that were fastened together by ribs and by giving it the flower shape these undesirable vibrations were eliminated."

Again (at R. 135) :

"* * * by cutting the horn up into a number of sections that were joined together with ribs so that these sections would break up and prevent the counter vibrations that occurred in the seamless glass horns and the seamless brass or other horns."

Now compare the foregoing with the following from the Nielsen Patent:

"The object (of the Nielsen patent) is to provide a horn * * * which will do away with the *mechanical vibratory and metallic* sound usually produced in the operation of such machines and also produce a *full, even and continuous volume of sound* in which the articulation is *clear, full and distinct*. * * * And it is *the longitudinal ribs b²* which contribute mostly to the successful operation of the horn, *said ribs serving to do away with the vibratory character of the horns of this class as*

usually made, and *do away with the metallic sound* produced in the operation thereof."

That Merritt's opinion as to the vocalistic advantages of the Nielsen Horn was not "general" is shown by the testimony of the various expert horn manufacturers called on behalf of the defendant.

Mr. PETTIT, a young man who prior to 1906 had been a salesman of phonograph supplies, gives his "expert" opinion (R. 163-4) :

"A. The flower horn proved decidedly superior as shown by the fact that it very quickly replaced the old horn and drove them out of the market. The flower horn gave much better tone reproduction than the B. & G. horn or the all-brass horn. With both of these horns that had been previously used metallic vibration frequently interfered with the clearness and purity of the reproduction, particularly with certain kinds of voices and instruments. These counter vibrations of the all-brass horn and of the B. & G. horn was recognized as undesirable and as difficulties that we tried to get over, but these were not done away with until the flower horn came in. The shape of the flower horn gave a rounder and fuller tone than the previous horns. The sectional construction of the flower horn broke up and did away with the objectionable counter-vibration and allowed the records to be produced with clearness and without interference. This was such an advance over the prior horns that the flower horn was at once recognized as much better and as soon as they came on the market no one wanted any other kind of a horn."

Compare this with the portion of the patent above quoted and we will see that neither of these gentle-

men are *testifying* in the strict sense of the word, but are paraphrasing when not actually reading from the patent. (It will be observed that these depositions of plaintiff were all given *ex parte*.)

In the foregoing quotations of plaintiff's testimony we have irrefutable instances of "coaching" and on a matter going to the very merits of the controversy.

"Precise correspondence in memory of several witnesses of the details of transactions of a remote date strongly suggests a recent and common source from which their testimony has been inspired, rather than the difficult recovery of the facts by memory from the long distant past. Fanning v. Doan, 139 Mo. 392, 414, 41 S. W. Rep. 742. See also Graham v. State, 92 Ala. 55, 9 So. Rep. 530; Rusk v. Steamboat Freestone, 2 Bond (U. S.) 234, 21 Fed. Case No. 12, 143 (at p. 20)."

Attempted corroboration has often been said to *destroy*, by exhibiting the "ear-marks of a manufactured story."

Alexander vs. Blackman, 26 App. Cas. D. C. 541-548.

The above-quoted testimony of Pettit and Merritt is the ONLY testimony on behalf of the plaintiff appellee, aside from the unsatisfactory and *incompetent* testimony of Mr. Vale, that bears on the subject of the alleged acoustical advantages of the Nielsen Horn; but inasmuch as this "corroborating [?] testimony" is based solely on their repeti-

tion of the assertion in the Nielsen patent itself, and *adds* no competent FACT-testimony to what the Patent states, we are therefore thrown back on the Patent. On the other hand, against the truthfulness of the statements of the Patent we have on behalf of the defendant the sound and convincing testimony of Hunter, Miller, Kaiser and Hawthorne; men experienced in this art.

In addition to this, we have the *prior* Villy folding patented horn concerning which Mr. Locke, the President of plaintiff, says, X.Q. 110:

“I never could see any material difference in the reproduction with a *folding horn* or with a regular *flower horn*.”

[A “folding horn” was the Villy knock down metal horn; the “regular flower horn” was the Nielsen horn; both patents being owned then and now by Mr. Locke’s company.]

Patents are granted for solving problems, not for stating them:

Columbia Motor Car Co. vs. Duerer, 184 Fed. 893, C. C. A.

(Selden Automobile Patent).

Concerning Nielsen’s “theory” and his claim to “the prevention of metallic resonance or tintinnabulation,” we have apparently a case for the direct application of the rule as stated in

United States vs. Post, 128 Fed. 950-953:

"There are well-settled and accepted natural laws, a recognition of which is justified by the long experience of men, the knowledge of every-day life, as well as by the studies and experiments of ages. Of these we may take cognizance—the laws of gravitation, cohesion, of optics, the phenomena of electricity, etc. *But when one contends that he has made new discoveries in science or art, opposed to the general experience of man for ages, and directly in conflict with the generally accepted rules, and seeks to gain money or secure profit thereby,* the burden of the proof of the truth of such discovery is upon the party making the claim, and the truth of such contention must be satisfactorily proved before it can be accepted."

As against the authority of Mr. Rudolph M. Hunter, who shows his familiarity and long expert experience with the talking machine art, we have only the weak, negative testimony (inspired testimony, at that,) of Mr. Baldwin Vale, a young man in the employ of plaintiff's counsel. This Court's attention is directed to the objections of record against questions addressed to Mr. Vale by his employer; and we urge the Court to sustain those objections and to disregard said testimony. Of what possible weight can such testimony as the following, by a so-called "Expert" be:

Page 823: "Mr. Miller. Q. Mr. Hunter also says in his deposition that Nielsen contributed nothing of value to the art by his patent, which is in suit here. What have you to say on that subject as to whether or not Nielsen contributed anything to the art?"

"A. [By Mr. Vale.] That is merely Mr. Hunter's opinion with which I differ entirely,

and my opinion is backed up by the adoption by the trade of the Nielsen type of horn in preference to any other of then existing horns."

And, again, what right has a witness—not a phonograph-expert, either—to attempt as below, to expert the Claims of a patent?

Page 824: "Q. I also find in the patent the expression 'Outwardly directed flanges' as applied to the flanges connecting the metal sections together and forming ribs on the outside. State what is meant by the expression 'outwardly directed flanges'?"

"Mr. Acker. I will ask counsel to state in the record wherein the language referred to in the last question appears in the patent.

"Mr. Miller. It appears in claim two of the patent.

"Mr. Acker. The question is objected to as incompetent, irrelevant and immaterial, and as calling for the witness to construe the expressions of the claims of the patent, which is the sole province of the Court and not of the witness; and I will add the further objection that it is objected to on the ground as being leading.

"A. The strips that form the horn have flanges bent up at their edges. The expression means that these flanges extend outwardly with reference to the interior of the horn and are on the outside or exterior of the finished horn."

And again imagine having a non-expert on musical instruments and musical sounds attempt to answer the following question:

P. 828: "Mr. Miller. Q. What distinction is there between musical instruments of the horn type and a reproducing horn for a talking machine. In other words, what is the primary object of the *musical horn*?"

"Mr. Acker. The same objection as to the previous question.

"Mr. Miller. Q. What is the primary object of the musical horn and the primary object of the reproducing horn?"

And by what legal authority is the following question and answer justified? (R. 829-830):

P. 829-30: "Q. Can you refer to any official authority as sustaining you in any of the facts which you have given in regard to the mechanical construction of the horn shown in the Nielsen patent and the terms of the art therein shown or referred to, and if so please state what it is?"

"A. The first official confirmation of my views that occurs to mind is the charge of Judge Van Fleet to the jury in the case of Searchlight Horn Company vs. Sherman, Clay & Company, which sets forth the matter in better form and in as few words as seems possible, and I should like to quote that charge in answering the question.

"Mr. Acker. I move to strike the answer from the record as not being responsive to the question.

"Mr. Miller. Q. Please refer to the transcript of record in that case and read from it into the present record the portion of the charge which you desire."

And thereupon this "Expert" proceeds to quote law from a record in another case. In short, the

expert Vale was merely voicing the sentiments of his employer, who was questioning him, and for the time being filling the role of "ancillary counselor."

Mr. VALE'S contribution to the "evidence" is summed up—(the bottom of page 827)—by his bald statement, that "it is sufficiently evident to a layman, or any one except a deaf man, that the Nielsen horn is superior acoustically in every particular to the B. & G. type of horn," followed by ill-founded and erroneous *theorizing*. As against the unanimous fact-testimony of a number of practical experts, this should have no weight.

For example, Mr. Vale says that in a *unitary* horn the wide unbroken sheet of metal has a wide amplitude of objectionable vibration, whereas Nielsen's comparatively-narrow sections have a comparatively-narrow amplitude of objectionable vibration; and that the wider the amplitude of such vibration, the greater the objectionable sounds, hence the *unitary* horn produces a *louder* metallic wall-vibration than the sectional Nielsen horn.

On the contrary: there is available only a definite amount of power—the power of the comparatively-feeble sound-waves—to vibrate the metal walls; if that power be sufficient to overcome the greater inertia of the *wide* and unbroken sheet composing the unitary horn, that same amount of power will more readily vibrate the *plurality* of smaller sheets composing the Nielsen horn. In the unitary horn the

sheet is curved around into conical form, and the *curvature* braces and stiffens it (on the arch principle of an egg-shell, which cannot be crushed lengthwise between the hands); whereas the separate sections of the Nielsen horn are comparatively *flat*, and can more readily be buckled in and out, like a tightly-stretched diaphragm or drum-head. Therefore, the same feeble power that would vibrate the *wide* sheet of the unitary horn, will far more easily vibrate each of the plurality of Nielsen sections, and the aggregate of the volumes of air displaced by the plurality of smaller sheets will not be less than that displaced by the single large sheet, —of course assuming that the two horns have substantially the same area of metal.

More than that, physiologically, “loudness” depends not only on the actual physical force of the air-vibrations, but also on the pitch; the higher the pitch or “frequency” of vibration (the *shriller* the sound), the more piercing its effect upon the human ear, and the “louder” it will sound. Now the smaller sheets composing Nielsen’s sections have *higher* vibrating-frequencies, and therefore give *shriller* and more noticeable sounds, than the larger sheet composing the unitary horn. It is the law of the pendulum, the violin-string, the diaphragm, the vibrating-plate; the longer the pendulum or the string, or the greater the area of the diaphragm or the plate, then the harder to overcome its inertia, and the more sluggish its movements of vibration.

In theory, then, there is no support for Mr. Vale's and Nielsen's contentions. The truth is that with two horns of the same dimensions, and other things being equal, better results will be given by the *stiffer* horn; yet, even then, unless one horn be utterly flimsy and worthless the difference is so trifling as to be practically nil. We ask the members of the Court, after the hearing is over, to try for themselves: let two of them sit with backs to the phonograph, while the third plays the machine, using first a unitary horn and then a Nielsen horn (or vice versa), and see whether the listeners can determine which is which.

So much for theory and fact. But Mr. Vale (and plaintiff) lay stress on the extensive sales of the Flower Horns. They did, at one time, have extensive sales; but they never supplanted the older and better types. They appealed solely by reason of their *looks*; they were sold only for the *cheaper* styles of machines (the brass horns and the wooden horns were always preferred by those of higher musical tastes); and after the first few years the Flower Horns were themselves almost entirely supplanted by the wooden horns employed in the present-day "concealed-horn" or "cabinetted-machines," —the Victrolas and Grafonolas and Amberolas. For many years now, the Flower Horns have been supplied only to the Latin-American or similar local trade with garish tastes for whatever presents bright, glaring color.

Plaintiff itself and its predecessor in title, the United States Horn Co. (and the two were identical in interest, Locke, Q. 29, RDQ. 119; Krabbe, Qs. 61-2) held simultaneously the Nielsen "Flower Horn" patent and a certain "Searchlight Horn" patent; and *they* deemed the latter horn *superior* to the former Flower Horn; and *they* preferred to manufacture and feature the "Searchlight Horn" to the neglect and practical exclusion of the "Flower Horn." In spite of the alleged interference by the large talking-machine companies, plaintiff was able to sell 35,000 to 50,000 "Searchlight Horns," and after only some three or four thousand "Flower Horns" had been made, they were *discontinued*,—while plaintiff continued to push its superior and *more successful* "Searchlight Horn." See Locke, Qs. 22 (on p. 146, 29 (p. 149), 45-55 (p. 169-170); XQs. 89-90, 93-4 (p. 178), 118 (p. 187), 156 (p. 170); RDQ. 127 (p. 189).)

Be all that as it may, however, proof of great commercial success has been held a "most *unsafe* criterion of utility" and not even conclusive of that, and *never* a criterion of patentable invention. Such proof is admissible only where all other tests have been exhausted and the question of patentable novelty still remains in doubt. (*Hollister vs. Benedict*, 113 U. S.; *McClain vs. Ortmayer*, 141 U. S., as *supra*). In the case at bar there *can* be no doubt; the Nielsen patent is clearly invalidated by the prior art, if not otherwise. We will now proceed to consider the prior art.

PRIOR ART: MATERIAL, SHAPES, CONSTRUCTION.

And, first, as to the MATERIAL of prior phonograph-horns. It is fundamental that the substitution of one material for another is not patentable invention.

Hotchkiss vs. Greenwood, 11 Howard, 248, 266; 13 Law. Ed., 683, 690.

Hicks vs. Kelsey, 18 Wallace, 670; 21 Law. Ed., 852.

Terhune vs. Phillips, 99 U. S., 592, 593; 25 Law. Ed., 293, 294.

Brown vs. District of Columbia, 130 U. S., 87, 99; 32 Law. Ed., 863, 868.

Florsheim vs. Schilling, 137 U. S., 64, 76; 34 Law. Ed., 574, 579.

Hoff vs. Iron Clad Mfg. Co., 139 U. S., 326, 329; 35 Law. Ed., 179, 180.

Ryan vs. Hard, 145 U. S., 241, 245; 36 Law. Ed., 691, 692.

Various different materials had been employed for phonograph-horns long prior to Nielsen. Among others, metal, wood, paper, card-board, celluloid, and even glass. Of the metals, brass *had* been employed, and also aluminum, but especially *tin*, pre-eminently a "sheet-metal," the material named by Nielsen. (See plaintiff's witness Merritt, Q. 59, on page 133.)

Sheet-metal, especially tin, appears to have been the most usual material for the purpose; and every patent must be read and interpreted in the light of the state of knowledge existing at the date the patent issued. Therefore, as a rule of law, in considering the specific disclosures of each prior phonograph-horn patent, where no material is specified, then the *usual* material—tin or other sheet-metal—is to be understood; and, even where the prior patentee expressly names some *other* material as his preference, yet,—in view of the common use of sheet-metal for the purpose—the Court must nevertheless read into such prior patent that the horn there disclosed may likewise be made of the usual sheet-metal commonly employed for other phonograph-horns. That is, the disclosure of a given horn of one specified material, is in law a disclosure of that horn made in *any* or every different material employed for horns.

There is interleaved at this point two photographic reproductions of pages from the “Metal Workers Pattern Book,” illustrating the solution of the problem of the fabrication of horns with tapered metal sections long before Nielsen’s time.

The aptness of the Metal Workers’ Pattern Book as a guide to the skilled mechanic in the manufacture of metal horns in general, is further illustrated in connection with Sections 443, 449, 450 and 454, and other sections in said Book relating to the construction of conical, pyramidal and other shapes of Horns.

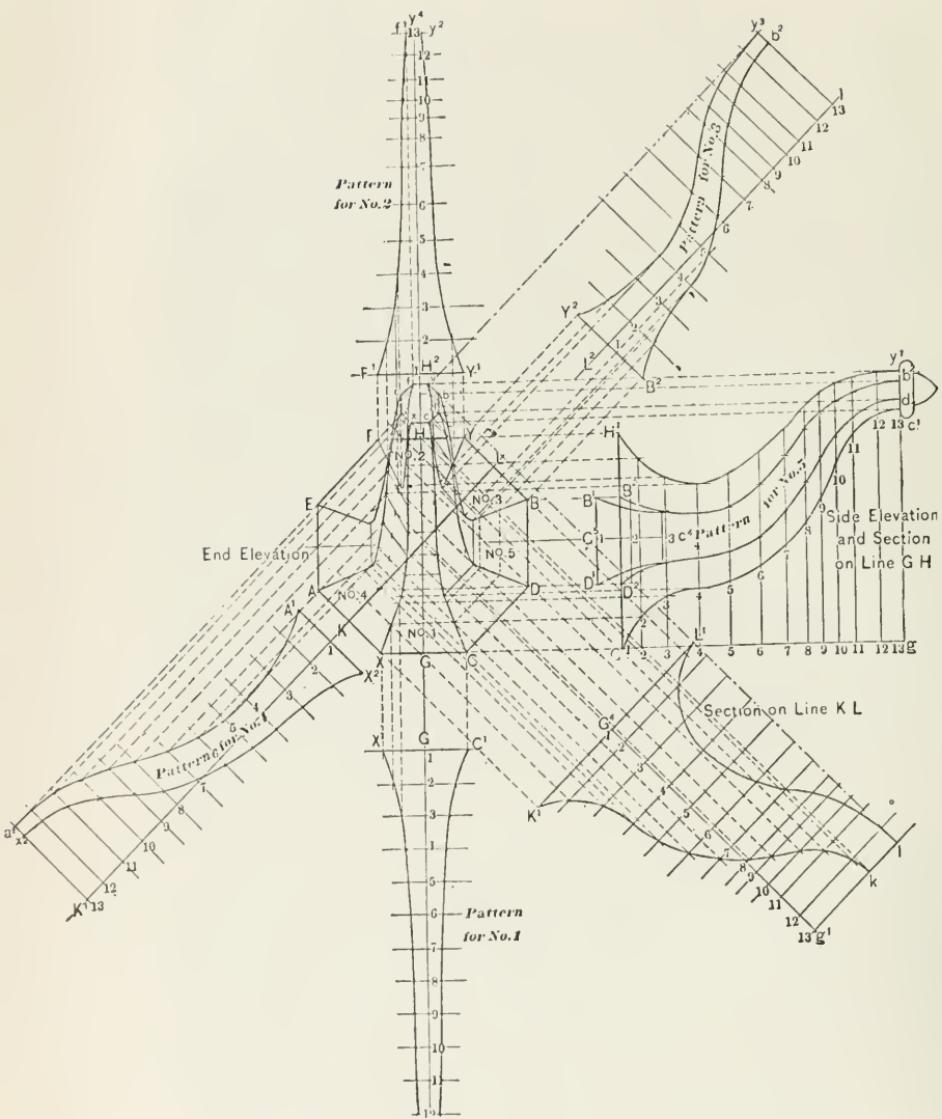


Fig. 512—The Patterns for a Cornucopia in Eight Pieces.

Pattern Problems.

Having thus constructed the several views of the article required for the patterns, proceed as follows: The pattern for the upper side, shown by K G in side J U T Z may be pricked directly from the drawing.

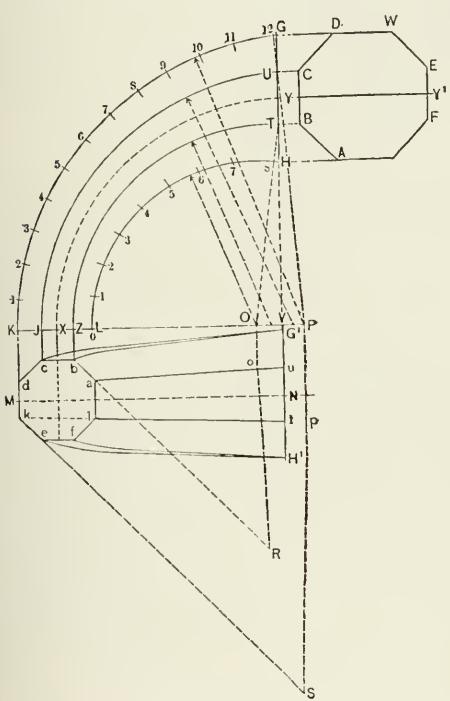


Fig. 516.—Elevation, Plan and Section.
A Curved Tapering Horn, Octagonal in Section.

from II, Fig. 519, as center, describe an arc cutting R B in the point B. Draw II B, which will be the wide end of the pattern. From R, the center by which the inner side of the pattern was struck, draw a straight line cutting the point a , producing it indefinitely in both directions. From a set off the distance $a b$, equal to $a b$ of Fig. 516, which will be the width of the narrow end of the pattern. The only remaining step necessary is to discover a radius, and a center in the line $b R$ produced, by which an arc may be struck which will connect the points b and B. This, by experiment, will be found to be R' .

For the pattern of the piece K G U J of Fig. 516 the operation to be performed is very similar to that just described. From the point k in the side view draw a straight line to the point t , which consider the plane in which the outer arc of this piece lies. From the point P draw a line at right angles to $K P$, which produce until it intersects $k t$ produced in the point p . Thence at right angles to $k p$ draw the line $p S$ indefinitely. Produce $k e$, which is

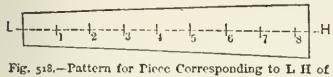


Fig. 518.—Pattern for Piece Corresponding to L II of the Elevation.
A Curved Tapering Horn, Octagonal in Section.

the profile of the required piece at the narrow end, until it intersects the line last drawn in the point S. Then $S k$ will be the radius of the arc which will form the outer line of the pattern. Transfer the line $k S$ to Fig.

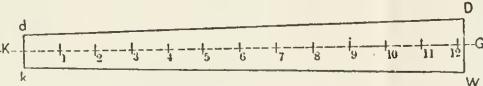
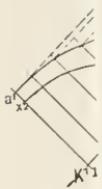


Fig. 517.—Pattern of Piece Corresponding to K G of the Elevation.
A Curved Tapering Horn, Octagonal in Section.



“Skilled in the art.”

It is not to the “ordinary mechanic,” but to the skilled mechanical—“any person skilled in the art”—that the patent description is addressed.

Revised Statutes, 4888.

“The phrase ‘skillful mechanic,’ as used in this connection, does not include mechanics who are skillful only in methods of servile imitation. *It refers only to mechanics who know how to vary form without varying substance, and who, in constructing a machine or manufacture, from a printed description, or from patent office drawings, could readily, and would freely, alter proportions and change details in order to adapt the contrivance to a particular use, or in order to secure greater merit of workmanship for the thing constructed.”*

Walker on Patents, 4th Ed. 57.

“It is to those persons, skilled in the art to which the invention appertains, that the description of it in the specification is addressed.”

2 Robinson on Patents, 488;

Hollister vs. Mfg. Co., 113 U. S. 59, 73.

SHAPE.

The prior phonograph-horns were *all* funnel-shaped affairs. Some have been conical (circular in cross-section), and others pyramidal (polygonal in cross-section); and the angle of taper or flare has varied within considerable range.

Again, some prior phonograph-horns (either conical or pyramidal) have tapered in one continuous straight line; in others the smaller or body-portion tapered at a comparatively-acute angle to the axis, while the larger or outer end flared at a more oblique angle to produce the so-called "bell-mouth"; while in still other phonograph-horns the bell-mouth was produced by a gradual outward-curving of the taper,—as in the well-known cornets, bugles, and other musical horns.

We shall now enumerate eight prior patents that disclose bell-mouthed "phonograph-horns" of sheet-metal (several of them disclosing straight-tapered horns also, and several disclosing horns made up of a plurality of longitudinally-arranged gore-sections); and we shall also enumerate prior patents disclosing other bell-mouthed devices of substantially the same shape. The patents are:

1. The CONN Patent No. 624,301 of 1889. Cuts of this patent are shown in 182 Federal Reporter, on page 822-3. The material of the Conn phonograph-horn is not stated; but it is *apparently* unitary, and manifestly metal; and, under the rule of law above referred to, Conn is to be read as disclosing a bell-mouthed phonograph-horn composed of the usual material employed for that purpose, *viz: sheet-metal*. The Court of Appeals found in said Conn patent of 1889 little or no novelty; 105 C. C. A. 254; 182 Fed. 822.

(No Model.)

4 Sheets—Sheet 3.

E. BERLINER.
GRAMOPHONE.

No. 534,543.

Patented Feb. 19, 1895.

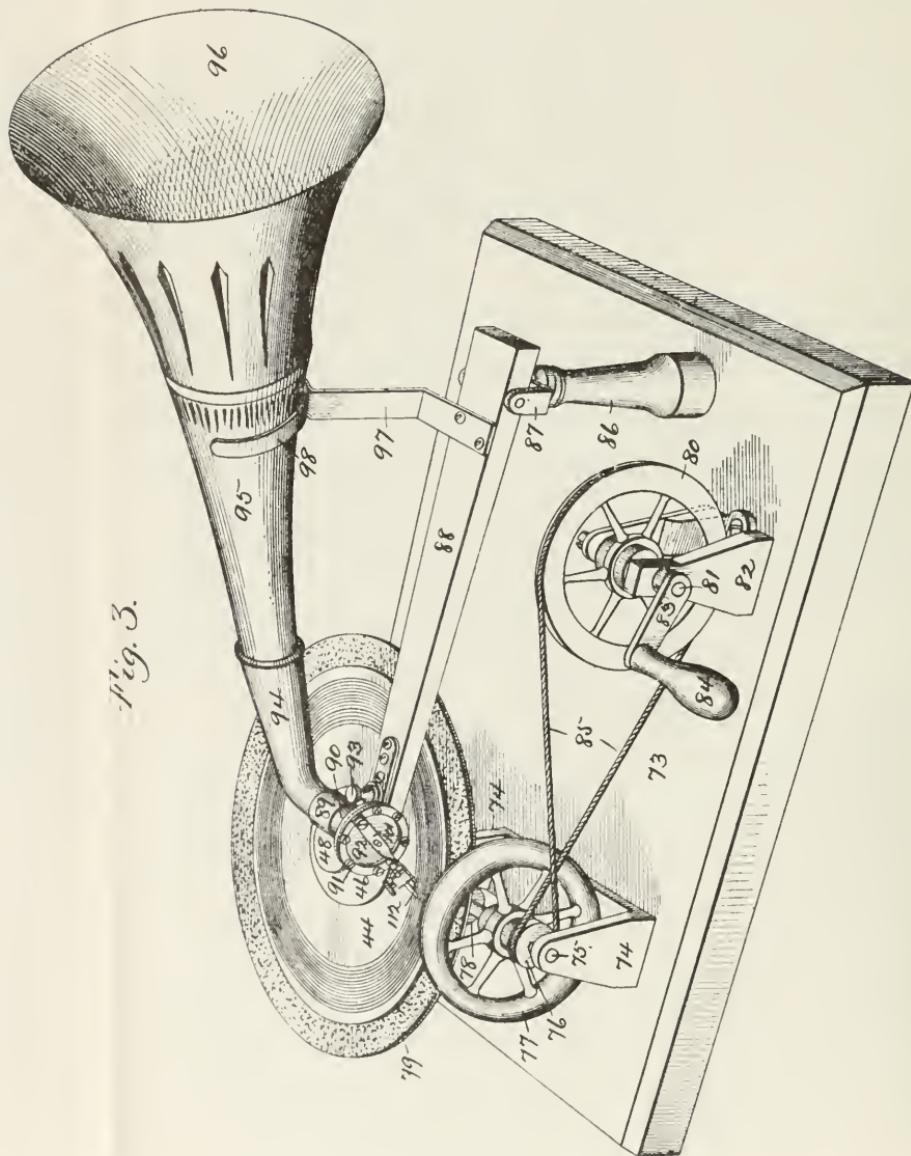


Fig. 3.

2. The BERLINER Patent No. 534,543, of 1895. The material of the phonograph-horn 95, of Berliner's Fig. 3, (see opp. page) is not stated; but, judging from parole testimony in this case, it was possibly some composition like hard-rubber. However, under the rule of law, Berliner is to be read as disclosing a bell-mouthing phonograph-horn composed of any suitable material commonly used for that purpose, viz: sheet-metal.

3. Figs. 1 and 2 of the MYERS Patent No. 647,-147 of 1900. (See opp. page.) The material of the bell-mouthing phonograph-horn of Myers' Figs. 1 and 2 (as distinguished from the straight-tapered horn of the other figures) is not stated; but said bell-mouthing horn is apparently integral, and manifestly of metal; whereas the other Myers figures show a sectional, *foldable*, non-curving horn, preferably of card-board (named as an alternative for the *metallic* horn). And, in any event, Myers also is to be read as disclosing a bell-mouthing phonograph-horn of the usual material employed for phonograph-horns, viz: sheet-metal.

4. Fig. 14 of the French patent to TURPIN, No. 318,742, published Oct. 25, 1902. Turpin says this Fig. shows a bell-mouthing phonograph-horn; and, like the horns of Turpin's other figures, it is stated to be made of wood,—either an integral horn hollowed out of a solid block of wood, or a laminated horn composed of integral sheets of veneering-wood nested together, or a sectional horn built-up of

a plurality of longitudinally-arranged and tapering gore-sections secured together along their edges. Although Turpin names *wood* as preferable over tin and other metals, nevertheless he expressly states that *metal* may be used for some of the gore-sections. All the more, then, must Turpin be read as disclosing a bell-mouthed phonograph-horn composed of longitudinally-arranged gore-sections of any usual phonograph-horn material,—*e. g.*, sheet-metal. (Turpin's pertinent figures are reproduced on the opposite page and will be referred to again.)

5. The RUNGE Patent No. 692,363 of 1902. Although Runge says his horn is “preferably non-metallic,” yet in the same sentence he says it “may be made of *any* suitable material” (emphasis ours); and, as before, Runge must be read as disclosing a bell-mouthed phonograph-horn composed of any suitable phonograph-horn material,—*e. g.*, sheet-metal.

6. The MARTEN Patent No. 738,342, granted Sept. 8, 1903, on application filed Apr. 7, 1902. Marten shows a phonograph-horn, manifestly of metal [and apparently the “B. & G.” horn referred to in Hawthorne’s deposition herein]. And, as before, Marten must be read as disclosing a bell-mouth phonograph-horn composed of any suitable or ordinarily-used phonograph-horn material, viz: sheet-metal.

7. The VILLY *original* patent No. 739,854, applied for Dec. 8, 1902, and granted Sept. 29, 1903.

No. 738,342.

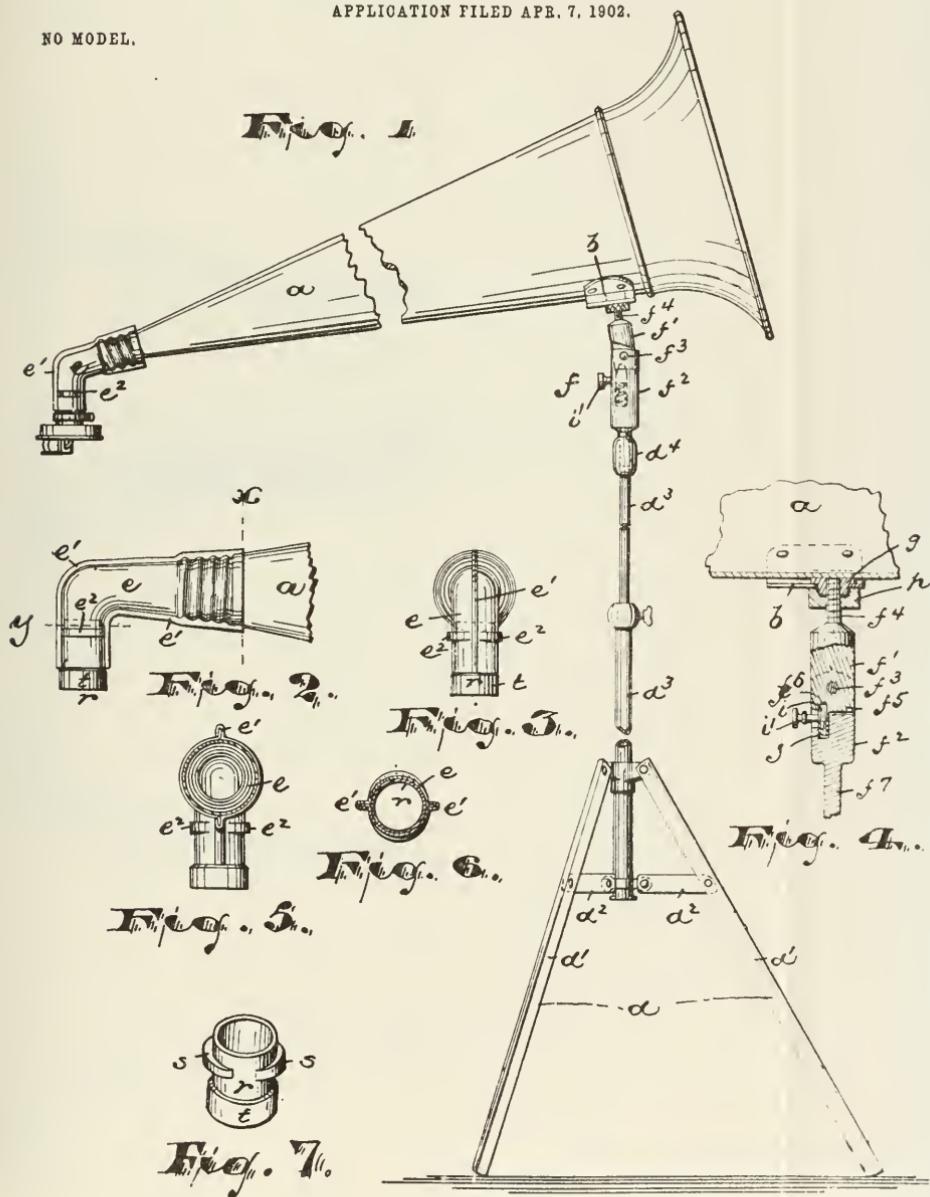
PATENTED SEPT. 8, 1903.

A. S. MARTEN.

INTERCHANGEABLE SOUND AMPLIFYING MEANS FOR TALKING
OR SOUND REPRODUCING MACHINES.

APPLICATION FILED APR. 7, 1902.

NO MODEL.



No. 759,639.

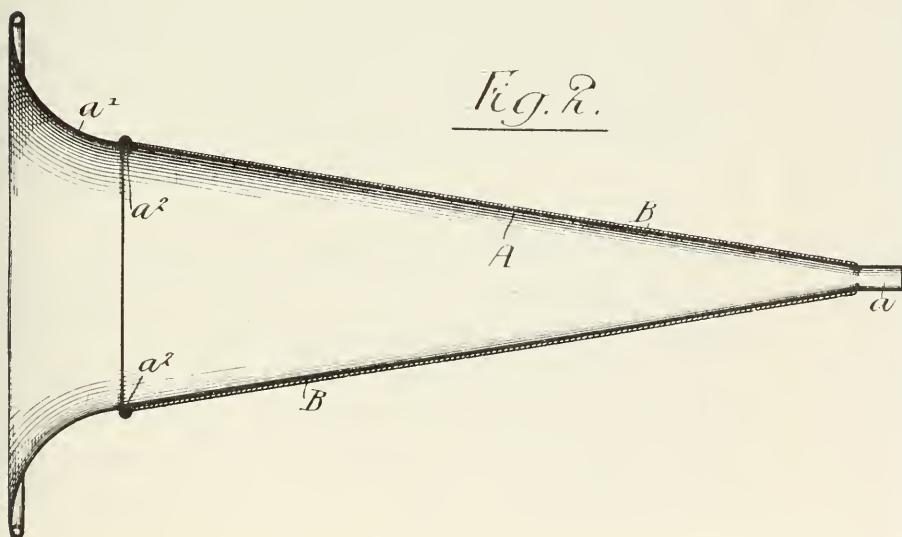
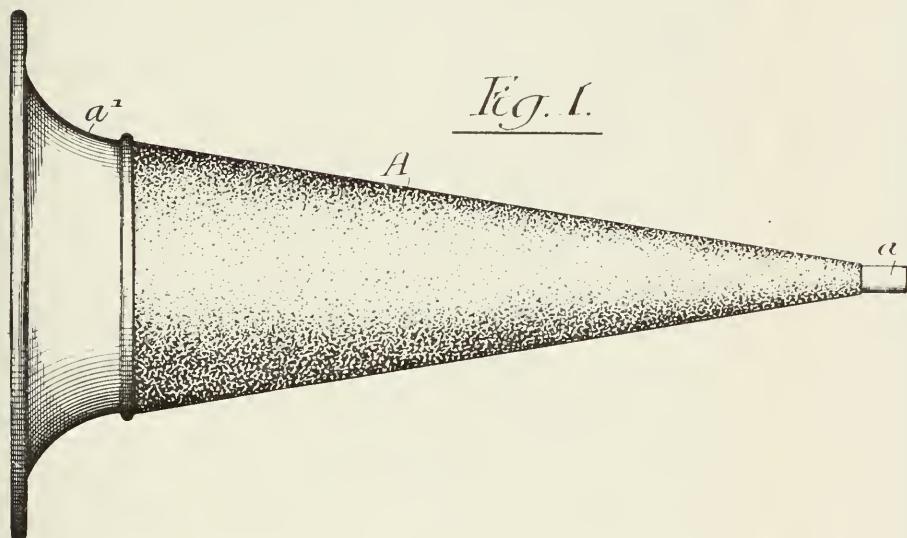
PATENTED MAY 10, 1904.

H. SHEBLE.

HORN FOR TALKING MACHINES.

APPLICATION FILED JULY 21, 1903.

NO MODEL.



See illustrations and comparison at the back of this brief. [This Villy patent was subsequently re-issued by *plaintiff*, with broadened Claims; and we shall show below that that fact has a material legal effect upon the Nielsen Patent in suit.] Said Villy original patent discloses a *foldable* or “*collapsible*” phonograph-horn, composed of sections; and Villy says these sections may be made of paper, wood, linen, “or other preferable *flexible* material” [emphasis ours; but the later Berner Patent No. 926,-235, taken out by *plaintiff* as an avowed “*improvement*” upon *Villy* (and Nielsen), specifies “*flexible sheet-metal*”]. The *flexibility* is what is essential to the Villy [and the Berner] invention, in order to permit the collapsible outwardly-curving horn (with the *curving* longitudinal hinges) to be “*sprung*” into opened or closed position. Sheet-metal is certainly *flexible*; and all the more, then, is Villy to be read as disclosing a bell-mouthed phonograph-horn composed of longitudinally-arranged gore-sections having curved edges and composed of *any* “*flexible*” material commonly employed for phonograph-horns,—*e. g.*, sheet-metal.

8. The SHEBLE Patent No. 759,639, (see opp. page), applied for July 21, 1903, and granted May 10, 1904,—only twenty-six days after Nielsen’s application was filed. Sheble discloses a bell-mouthed phonograph-horn, and explicitly says it is made of sheet-metal, coated with textile fabric [and is apparently the “B. & G.” horn of Hawthorne & Sheble].

9. The CAIRNS Design-patent No. 10,235, granted in 1877 for a “Speaking-Trumpet,”—in other words a *megaphone*, the same as a phonograph-horn. This patent being for the *design*, the material of the speaking-trumpet or horn is not stated; but, from the thinness of the wall, as shown in the cross-sectional views, it is manifestly composed of sheet-metal. And, as with the other patents, this Cairns design-patent is to be read as disclosing an outwardly-flaring or bell-mouthed trumpet or horn composed of *any suitable* material of which horns are usually made,—*e. g.*, sheet-metal.

10. The GERSDORFF Patent No. 453,798, granted in 1891 for a “Funnel.” This article is manifestly of sheet-metal. The drawings show clearly, and Gersdorff states explicitly, that it is composed of “three or more” longitudinally-arranged gore-sections having curved edges and united along their curved meeting-edges by interlocked seams which manifestly produce longitudinal “ribs.”

Although the Gersdorff discloses a “funnel,” yet it could be used without modification as a *phonograph-horn*; and during the lifetime of the Gersdorff patent, if anyone constructed the Gersdorff device for use as a “phonograph-horn,” it would be an *infringement*, under the well-established rule that “the patentee is entitled to every use to which his patented device can be put”; and, upon the expiration of the Gersdorff patent, the *public* has the

right to use the Gersdorff device either as a funnel or as a phonograph-horn.

11. The second GERSDORFF Patent No. 491,-421, granted in 1893. This patent is in all respects equally as pertinent as the first-named Gersdorff patent.

In short, each of the two Gersdorff patents is to be read as disclosing to the world in 1891-3 an outwardly curving or bell-mouthing device, capable of being used *without modification* as a "phonograph-horn,"—a device composed of a plurality of longitudinally-arranged and curve-edged gore-sections of sheet-metal, and with said sections united along their meeting edges by interlocked flanges to produce an external stiffening-rib extending along the entire line of juncture.

Gersdorff having, in 1891-3, patented his device as a "funnel," he could not thereafter obtain a valid patent for the *same* device used as a "phonograph-horn" (*Miller vs. Eagle*, 38 Law. Ed., 121; 151 U. S., 186), and neither can Nielsen or any one else.

12. McVEETY & FORD'S "Ship's Ventilator,"—the Design-patent No. 34,907, of 1901,—and the mechanical patent No. 699,928, of 1902. (See illustrations at the back of this brief.) These two patents are relied on principally as showing a prior mechanical *construction* available to Nielsen [and actually used in defendant's horns] for a built-up,

outwardly-curving, funnel-shaped device, composed of longitudinally-arranged curve-edged gore-sections of sheet-metal that are united together by means of their abutting up-turned flanges.

As showing the kinship between a Ship's Ventilator and a Phonograph-horn, we beg to call the Court's attention to the cuts herein illustrating the mechanical patent to McVeety & Ford, No. 699,928 and the Senne Patent No. 811,877.

In connection with these patents to Senne and McVeety & Ford, the Court's attention is directed to the following testimony of Mr. Locke (pp. 150-151):

“No one company was ready to act in advance of the others and the infringement was too widespread to permit of our succeeding with our negotiations. As a result we were unable to do anything in the way of litigation, except that we did bring a suit against Camillus Senne and Peter E. Peterson, doing business under the name of Nova Phonograph Horn Co. This suit was brought by the United States Horn Company in the United States Circuit Court, Southern District of New York, early in 1905. Associated with Peterson and Senne in the Nova Phonograph Horn business was Andrew Andreasen, who had formerly been employed as a salesman by Nielsen. Senne and Peterson were making the same kind of a metal horn that Nielsen and the United States Horn Company

No. 811,877.

PATENTED FEB. 6, 1906.

C. A. SENNÉ.
PHONOGRAPH HORN.
APPLICATION FILED NOV. 1, 1904.

2 SHEETS—SHEET 1.

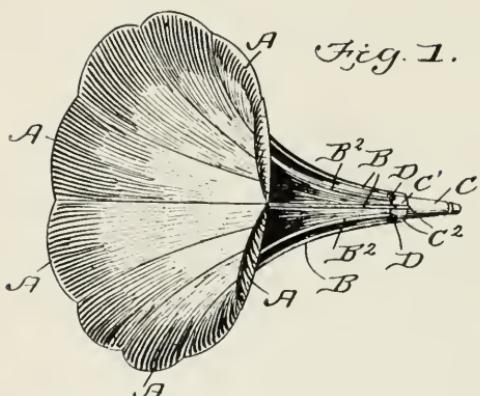


Fig. 1.

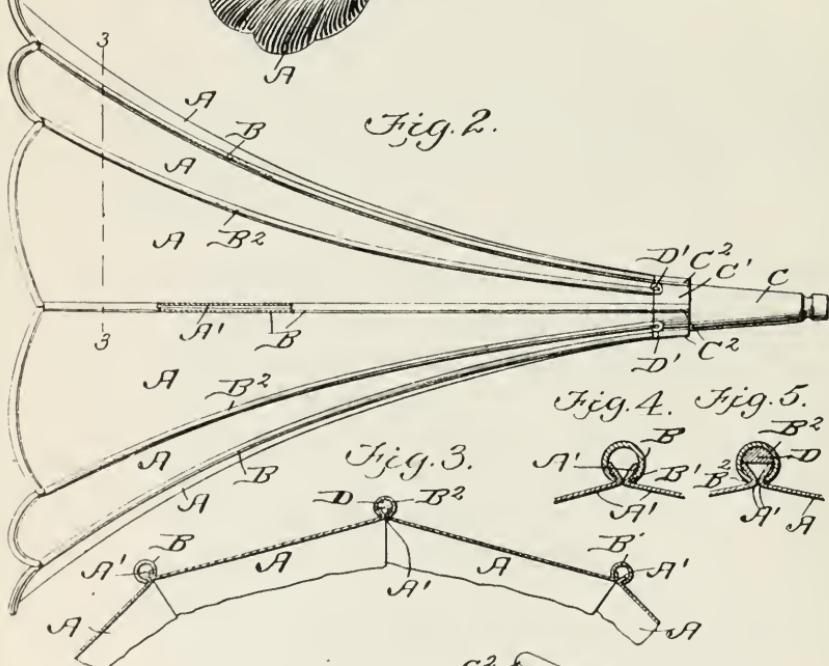


Fig. 2.

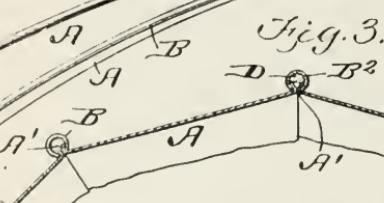


Fig. 3.

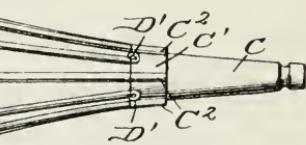


Fig. 4. Fig. 5.

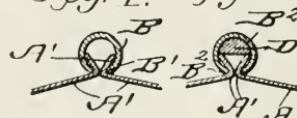
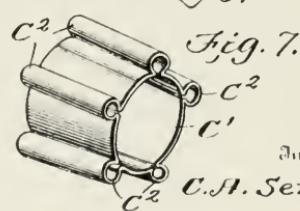
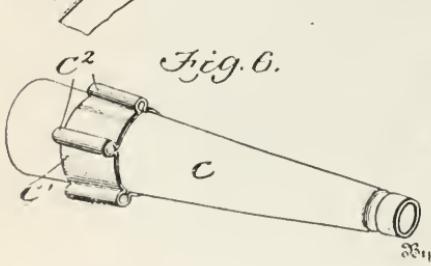


Fig. 6.



Inventor
C. A. Senné!

were making. *They were making this metal horn before the Nielsen patent issued and declined to stop making the same*, but after the patent had issued they allowed judgment to go against them in the suit that we brought and stopped making the metal horn. Afterwards they made a *horn of paper in accordance with a patent granted to Senne.*"

(The Court's attention is invited to the Senne patent in evidence No. 811,877, filed November 1, 1904 practically contemporaneous with the issuance of Nielsen, issued February 6, 1906, and illustrated at the back of this brief, and also on the opposite page. This is a "metal sectional Flower Horn" of the *knock-down type* with "locking ribs" precisely like those of McVeety & Ford. This is not a "paper horn." It is probably the "metal horn" referred to by Mr. Locke immediately above, and is the one that Nielsen sued Senne on *as an infringement of the Nielsen Patent*. The Court will readily appreciate the important bearing that these facts have on the subject of anticipation.)

The Court will observe that Senne in Figs. 3-4 and 5 employs identically the same means for uniting his sectional tapered strips that McVeety & Ford employ for uniting their sectional tapered strips, and furthermore compare the description and claims of McVeety & Ford with those of Senne:

MCVEETY & FORD'S
SPECIFICATION:

"AA represent the plates which are of varying width and provided at the sides with upturned portions *a*, forming grooves for the reception of the ribs B, which are in the form of split tubes, the inward-projecting portions *b* being adapted to engage the grooves of the plates A."

SENNE'S SPECIFICATION:

"I employ a series of blades or strips A * * * each being wider at its outer end and tapering with a grooved line to its inner end * * *. The longitudinal edges of each blade are bent outwardly and inwardly to provide a flange A¹, over which is placed a tubular rib B, having slots B¹ * * * through which the flanges project and by bending the flanges * * the sections will be firmly and securely locked together."

Thus, McVeety & Ford in the language of the Phonograph art comprises:

A Horn composed of longitudinally arranged strips of metal provided at their edges with longitudinally outwardly directed flanges, whereby said strips are connected and whereby the body portion of the Horn is provided on the outside thereof with longitudinally arranged ribs, said strips being tapered from one end of said Horn to the other.

This is Claim 2 of Nielsen; his most limited claim, and it finds its perfect fit in McVeety & Ford. McVeety & Ford's ribs *B* are "ribs" in every sense and spirit of the word. The Senne patent was offered in evidence by the plaintiff itself. Senne a former associate of plaintiff and a phonograph expert calls them "ribs" in his patent and he emphasizes this

No. 699,928.

Patented May 13, 1902.

C. McVEETY & J. F. FORD.

SHIP'S VENTILATOR.

(Application filed July 10, 1901.)

(No Model.)

FIG. 1.

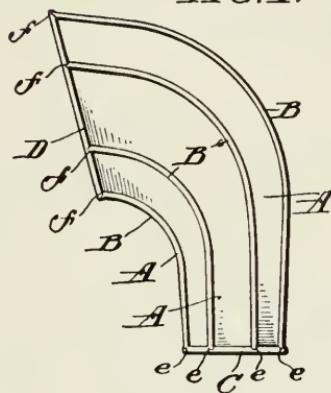


FIG. 4.

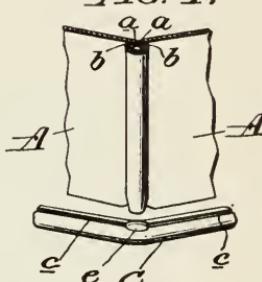


FIG. 2.

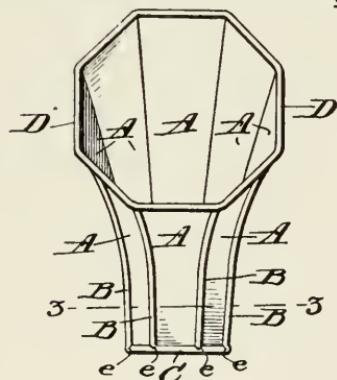
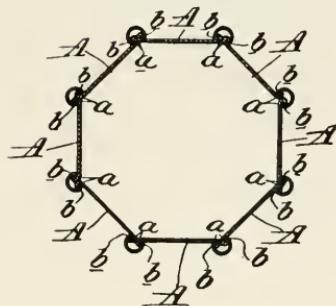


FIG. 3.



word "rib" repeatedly in and throughout his patent and claims. Senne's ribs are all on the outside of his horn; so are McVeety's; so are Nielsen's. Therefore McVeety applies to Nielsen in the same spirit and degree as the prior art applied to the patent sued on.

In Hyde vs. Minerals Separation, 214 Fed. 100, 109, decided contemporaneously with the Sherman & Clay case, your Honors said:

"We hold that to sustain the appellees' patent would be to give to the owners thereof a monopoly of that which others had discovered. What they claim to be the new and useful feature of their invention, as stated by their counsel, is 'agitating the mixture to cause the oily coated mineral to form a froth.' As we have seen, that feature was clearly anticipated by the prior art, and, when the elements of the appellees' claims are read one by one, it will be found that each step in their process is fully described in more than one of the patents of the prior art, with the single exception of the reduced quantity of oil which they use. The patentees of the appellees' patent made a valuable contribution to the art in discovering the smallest quantity of oil which would produce the desired result. In doing so, they pursued the course which all skillful metallurgists would be expected to pursue."

"GORE SECTIONS."

We shall now enumerate four prior patents that disclose "phonograph-horns" made up of a plurality of tapered gore-sections, and four other pertinent

ent disclosures of sectional funnel-shaped devices, viz.:

1. Figs. 3 and 4 of the MYERS Patent No. 647,147, of 1900. These two Figures disclose a *foldable*-horn with a straight taper; but, on the same sheet of drawings, Myers shows, in Fig. 2, the outwardly-curving or bell-mouthed horn 18. Myers used the straight-tapered gore-sections 22, to make up his straight-tapering horn; but no invention would be required to cut the gore-strips with *curved* edges, so as to produce the outwardly-curving flare of his horn 18,—any dressmaker or tailor could show him how, had Myers failed to observe the gores and the curving line seams of his own clothing.

It is true that Myers recommends “cardboard or similar light and durable material” on the ground of cheapness and lightness in handling, and, as giving (in Myers’ opinion) better acoustic results than metal. But Myers’ gore-sections 22 could be readily duplicated in *any* material usually employed in making phonograph-horns, *e. g.*, tin or other sheet-metal; and it was well known how to join the meeting edges of sheet-metal,—indeed, it had long been known how to *hinge* them together, if a foldable horn was desired. Myers’ avowed object in making a foldable horn, was for convenience *in shipping*; but when Myers’ folding horn has once reached its destination, and been set up, it becomes a *rigid* horn. A phonograph-horn, even a

No. 647,147.

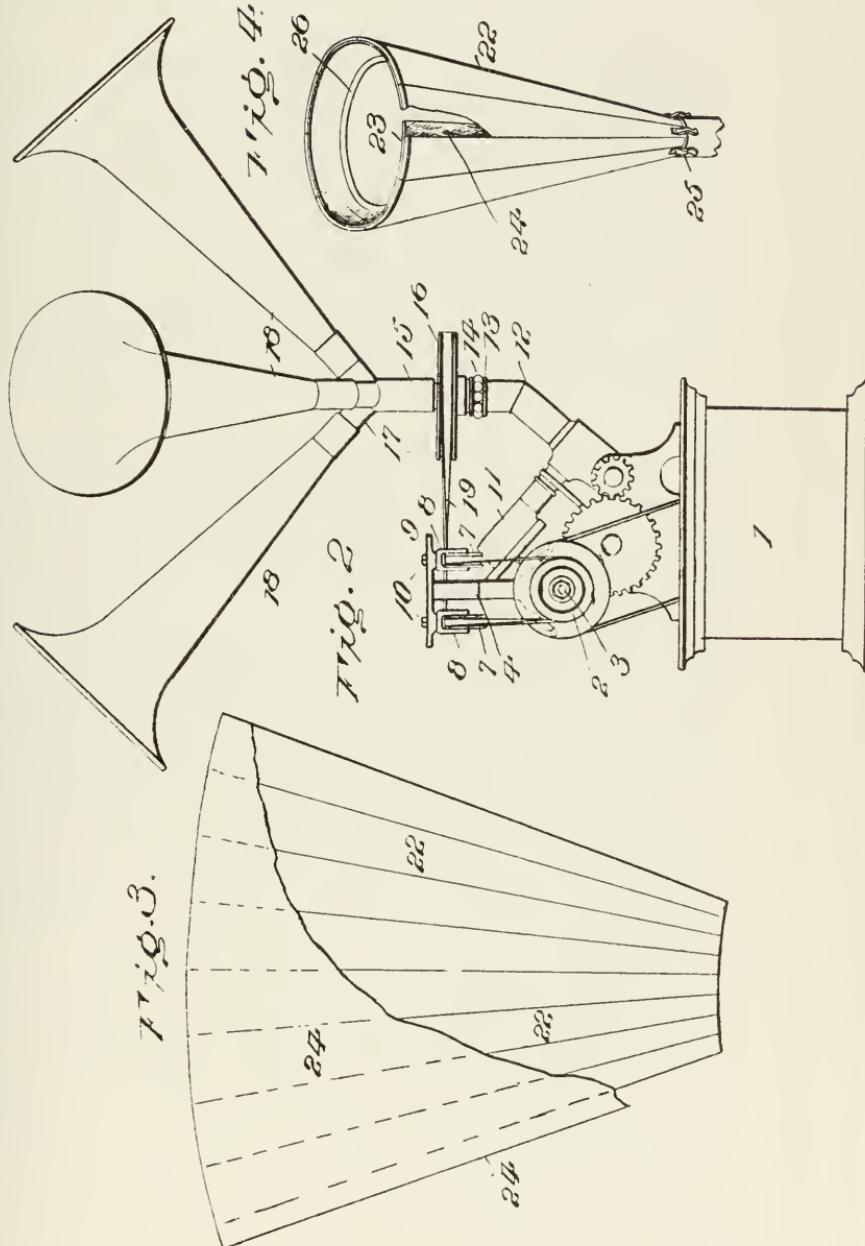
Patented Apr. 10, 1900.

F. MYERS.
GRAPHOPHONE.

(Application filed Dec. 15, 1899.)

(No Model.)

2 Sheets—Sheet 2



“foldable” one, is not used like an accordion or concertina, but as a *rigid* conduit.

And, in any event, under the rule of law above cited, Myers must be read as disclosing at least a pyramidal phonograph-horn made up of a plurality of longitudinally-arranged gore-sections of *any* suitable material usually employed for phonograph-horns,—that is, “sheet-metal,” and with said sections suitably hinged together (or otherwise suitably secured together) along their meeting edges.

Now, the separate sections of the sheet-metal sectional horn thus deducible from the Myers disclosures, if a *rigid* horn be desired, would be united either (1) by overlapping the edges and then soldering or riveting them together, or (2) by bending the edges up to form flanges and then securing the abutting flanges together as by soldering or riveting [as taught by McVeety and Ford, *supra*, and as Nielsen *probably* did?], or (3) by interlocking the edges [as taught by Gersdorff, *supra*, and as defendant and plaintiff itself have done]. On the other hand, in case a *foldable* horn be desired, the adjacent sheet-metal sections would be hinged together by (4) the well-known “piano-lid hinge” [subsequently employed, we say here, by way of anticipation, by plaintiff’s own Berner Patent for a Phonograph-Horn, No. 926,235], in which a metal rod or wire is passed through alternating “eyes” formed along the meeting margins of the gore sections.

And every one of those four well-known methods of securing the (Myers) sheet-metal sections together, whether hingedly or rigidly, would produce a juncture entailing a thickening of material, and constituting therefore a longitudinal "rib" along the line where the gore-sections are thus secured together.

2. COCKMAN'S British Patent No. 5186, accepted Dec. 31, 1903, discloses a straight tapered sectional "phonograph-horn," made up of a plurality of tapered gore-sections. Cockman, after mentioning that his drawings show a conical horn (circular in cross-section), states that his sections can be *flat* so as to produce a pyramidal horn (polygonal in cross-section).

Cockman says that he prefers to make his horn of wood; but, as before, Cockman is to be read as disclosing a phonograph-horn of funnel-shape (either pyramidal or conical), made of tapered gore-sections of *any* suitable material ordinarily employed for phonograph-horns,—that is, of tin or any other metal,—secured together along their meeting edges by *any* suitable means appropriate to the material used.

Cockman selected wood as his own personal preference; and, since he was dealing with wood, he naturally *glued* his wooden sections together; mere paste or mucilage would not suffice to hold wood, riveting is out of place for wood, and soldering is impossible. But, to duplicate Cockman's horn in

metal, the usual material for horns, is *not* a patentable invention, and the American public had the right to do so; and whoever should undertake to use sheet-metal for that purpose would certainly not use *glue*, but would inevitably turn to some one of the well-known expedients for uniting sections of sheet-metal. There would be no invention in using the known methods for uniting known materials, and everyone would have the right to do so. And, as just shown in connection with the Myers Patent, every commonly-known expedient for uniting sections of sheet-metal would entail the longitudinal “rib” along each seam or juncture.

Therefore, in view of the then-existing art, Cockman is to be read as disclosing a tapered phonograph-horn built up of a plurality of longitudinally-arranged gore-sections composed of *any* known phonograph-horn material—*e. g.*, sheet metal—and united together along their meeting edges by *any* known method of uniting sections of sheet-metal,—*e. g.*, by any one of the methods already named, thus producing a longitudinal “rib” along each line of juncture.

TURPIN'S FRENCH PATENT No. 318742 OF 1902 FOR “PHONOGRAPH HORNS.”

While this patent to Turpin shows a great many designs of Horn and specifies various ways in which horns may be built, and opinions may differ among experts and counsel as to the practicability of some of these horns shown by Turpin, it is to be strictly

borne in mind that *this appellant is directing this Court's attention to that form of Turpin shown in his Figures 8 to 13 inclusive*, represented on the opposite page hereof, and described in the Turpin specification as follows:

“Figure 8 represents a horn of wood, of polygonal form (*octagonal*) which is constructed of strips B, *nailed* and glued, or one or the other, upon ribs of wood A (figs. 8 and 12, end views) serving as bracers or as a skeleton. The truncated pyramid thus obtained is then glued at C in a *mouth-piece* E of any metal. One then finishes the matter in the manner which has been set forth above.

“In place of ribs of wood one can make use of metallic ribs (figs. 10, 11 and 13) to receive and maintain the sheets or strips of wood B. These ribs may be on the interior or on the *exterior* of the horn, which may vary in form, from the circular form (cone) to that of a square, passing through all the pyramidal forms having a plurality of sides.” (See illustrations at back of this brief.)

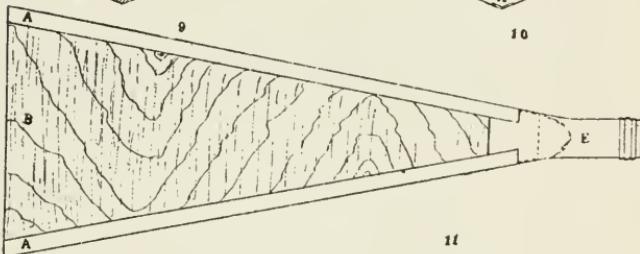
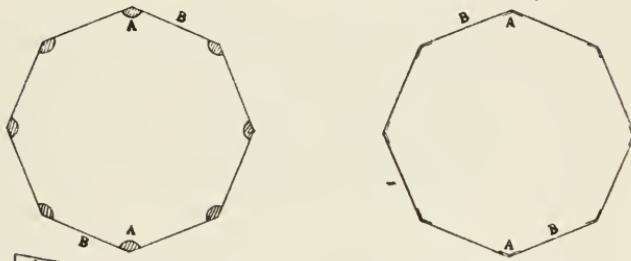
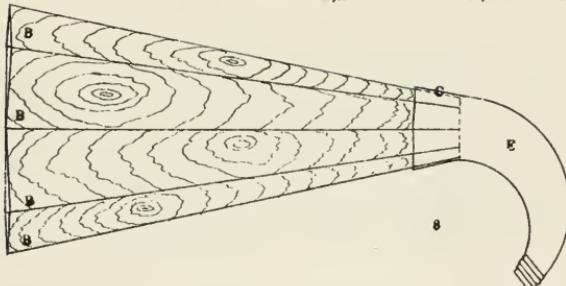
Turpin also selected *wood* as his choice. He discloses, *first*, an integral horn turned (on a lathe) from a solid block of wood,—but recommends against this; he mentions, *second*, a composite or laminated horn, built up of successive layers or hollow cones of veneering-wood; and, *third*, he passes to the sectional horns which concern us, viz.: phonograph-horns composed of tapering longitudinally-arranged gore-sections.

These latter horns, Turpin tells us, may be either polygonal or circular in cross-section, and either

N° 318742

M. Turpin

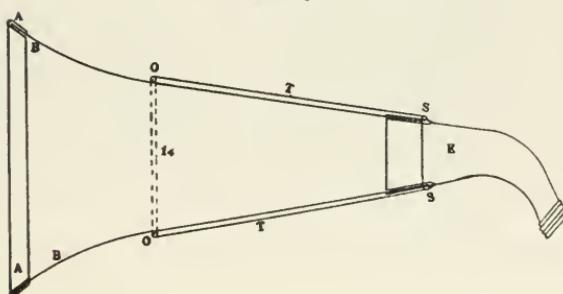
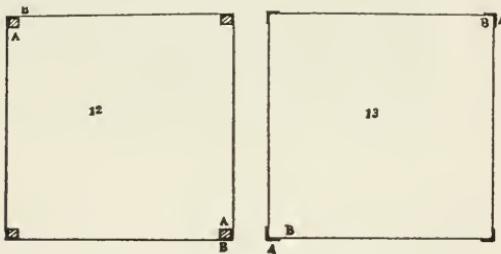
3 planches. — Pl. II



N° 318742

M. Turpin

3 planches. — Pl. III





straight-tapered or outwardly-curving to produce a bell-mouth. These sectional horns are unmistakably shown on sheets 2 and 3, in Figs. 8-13; and (by the aid of Turpin's text) *we learn that* the bell-mouthed horn, illustrated by his Figs. 14-16, is likewise *sectional*.

Turpin shows and describes sectional horns composed of a plurality of tapered gore-sections, B, of wood; and while Figs. 8-10 show a horn having eight sections, and Figs. 11-13 show four sections, Turpin says the horns—

“may vary in form, from the circular form (cone) to that of a square, passing all through the pyramidal forms having a plurality of sides”;

and in Figs. 14-16 he shows a bell-mouthed *cone*.

Although Turpin expresses his preference for *wood*, yet under his heading “4” he says that he may employ “one or two strips of *METAL*”; and he recommends, in a 12-section horn, the use of “2 strips of metal.”

Certainly, then, under the rule of law already invoked, Turpin disclosed a phonograph-horn composed of longitudinally-arranged gore-sections of *sheet metal* [as a well-known equivalent for wood] united along their meeting edges,—“nor is it invention to substitute a *metal* base for a wooden one.”

Sheffield vs. D'Arcy, 194 Fed. 686, 692 (Sixth C. C. A);

Ventilation vs. D'Arcy, 229 Fed. 398, 402
(Sixth C. C. A.)

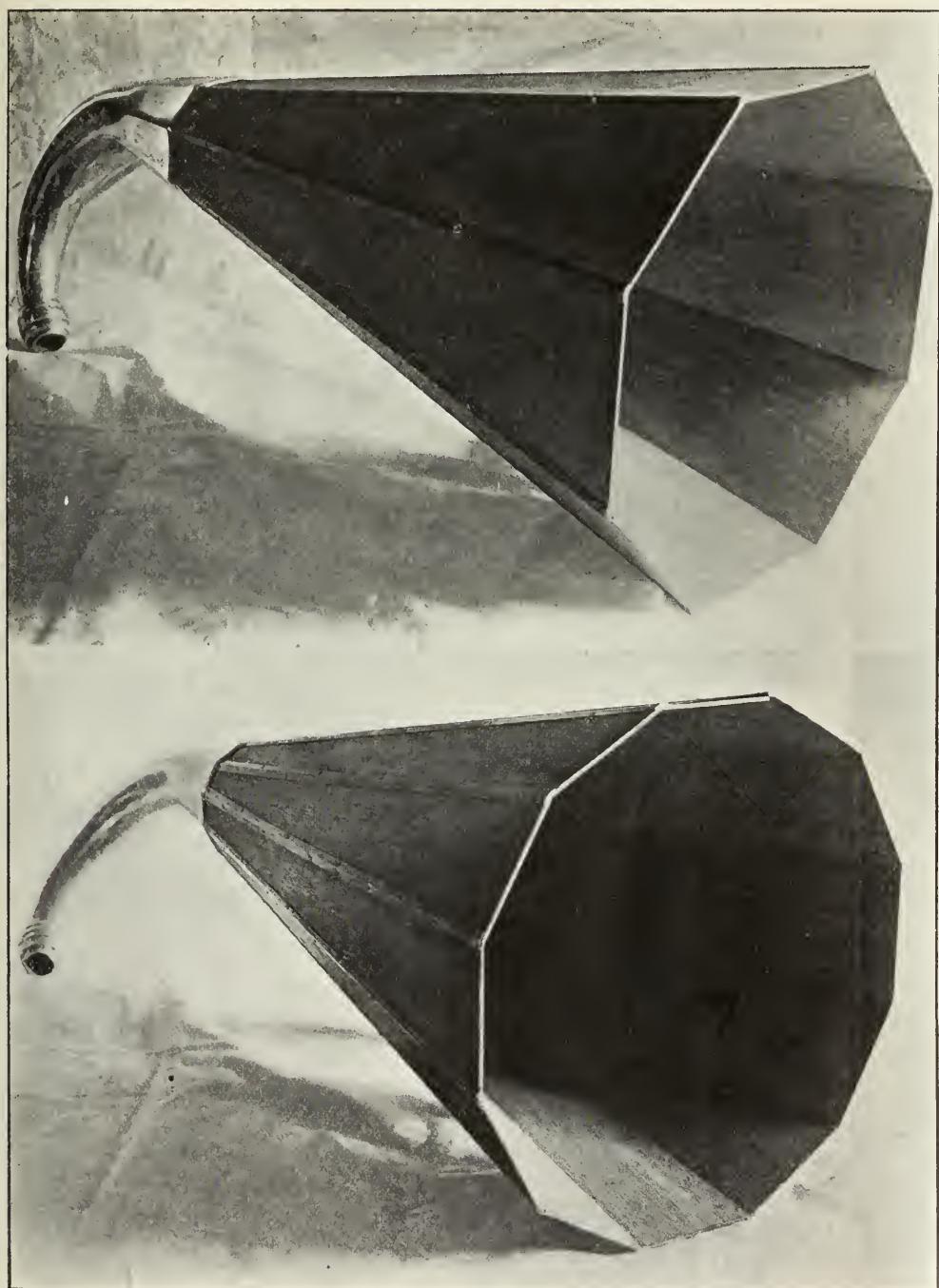
See Turpin's Figs. 11 and 13 for longitudinal *metallic* ribs located on the *exterior* of the horn and extending along the line of juncture of the meeting edges of his gore-sections.

Turpin thus explicitly shows and describes a bell-mouthing phonograph-horn composed of a plurality of longitudinally-arranged gore-sections united together along their meeting edges; under the law already invoked, the Court will read into this Turpin Patent the use of "sheet-metal" in place of wood for *all* the gore-sections, particularly as Turpin himself recommends the use of at least two metallic sections; and Turpin clearly shows and explicitly tells us the juncture of his sections may be secured by *metal ribs* extending along the line of juncture.

In short, Turpin thus discloses a *sectional* "bell-mouthing" phonograph-horn,—a horn composed of longitudinally-arranged gore-sections of sheet-metal secured together at their edges by metal ribs extending along the line of juncture.

We are prepared to demonstrate at the hearing the practicability of a sectional ribbed horn built in precise accord with Fig. 8 of Turpin and his specifications. Two such horns are illustrated herein.

But as was said by the Court in E. M. Miller Co. vs. Meriden Bronze Co., 80 Fed. 523, 525:



TURPIN—Sectional Ribbed Horn according to Turpin Drawings, Figs. 8 to 13.

"I do not understand that the law necessarily imposes upon a defendant, who relies upon the prior art to limit the scope of a patent, the burden of proving that prior patents were useful, operative, or commercially successful, or that they stated all the undeveloped possibilities of the invention therein disclosed. It is not necessary that the patentee should have conceived the idea of all the uses of which his invention is capable. He is entitled to all the beneficial uses embraced within the scope of his invention. Manufacturing Co. vs. Cary, 147 U. S. 635, 13 Sup. Ct., 55 Fed. 390; Manufacturing Co. vs. Robertson, 23 C. C. A. 601, 77 Fed. 985. Nor is the mere fact that a patented device is limited in operation or application, alone sufficient to destroy its relevancy in a consideration of the prior art. The development of new industries, the discovery of new products, the adaptation of old materials to new uses, may suggest improvements upon devices of the prior art, the principles of which are already sufficiently disclosed, although not fully developed, because not demanded by the prior existing conditions. In the application of this doctrine, patents have been held void for improved stamps required by new internal revenue laws; for new adaptations of gate guards for elevated railways; new forms of bicycle bells, pedals, and rubber tires. It is well settled that mere paper patents may negative patentable novelty, provided they sufficiently disclose the principles of the alleged invention, or provided the alleged objections could be obviated by mere mechanical skill. Pickering vs. McCullough, 104 U. S. 310. 'The very fact that a machine is patented is some evidence of its operativeness, as well as of its utility.' Dashiell vs. Grosvenor, 162 U. S. 425, 432, 16 Sup. Ct. 805. When, therefore, a prior patent appears

upon its face to be relevant to the consideration of the prior art, I think the later inventor should show either that such device was not useful, or that it did not so disclose the principle of the later patent as to deprive it of its claim of patentable novelty."

Even when no machine whatever is put into commercial use under a patent, and the owner of the patent simply "locks it up" and does not attempt to make any practical use of it, still is he entitled to protection.

E. L. Watrous Mfg. Co. vs. American Co., 161 Fed., 362, 364; affd. by Seventh C. C. A., 176 Fed. 96.

Continental Paper Bag Co. vs. Eastern Co., U. S. Supreme Court, June 1, 1908.

Lettelier vs. Mann, 91 Fed. 909, 914 (Judge WELBORN, S. D. California).

Natl.Dump-Car vs. Ralston, 172 Fed. 393 (Sixth C. C. A., affirms lower Court, on p. 407).

4. VILLY'S original Patent No. 739,954, granted Sept. 29, 1903, reissued Jan. 30, 1906, explicitly discloses a foldable horn composed of a plurality of gore-sections which have curved edges, so that when united together they constitute the outwardly-curving or bell-mouthed horn shown in his Figs. 1 and 5. In order to understand the full purport of the disclosures of this Villy Patent, we are entitled to refer to the subsequent reissue thereof procured by plaintiff's predecessor, and also to the still subse-

No. 739,954.

PATENTED SEPT. 29, 1903.

G. H. VILLY.

HORN FOR PHONOGRAPHS, EAR TRUMPETS, &c.

APPLICATION FILED DEC. 8, 1902.

No. 12,442.

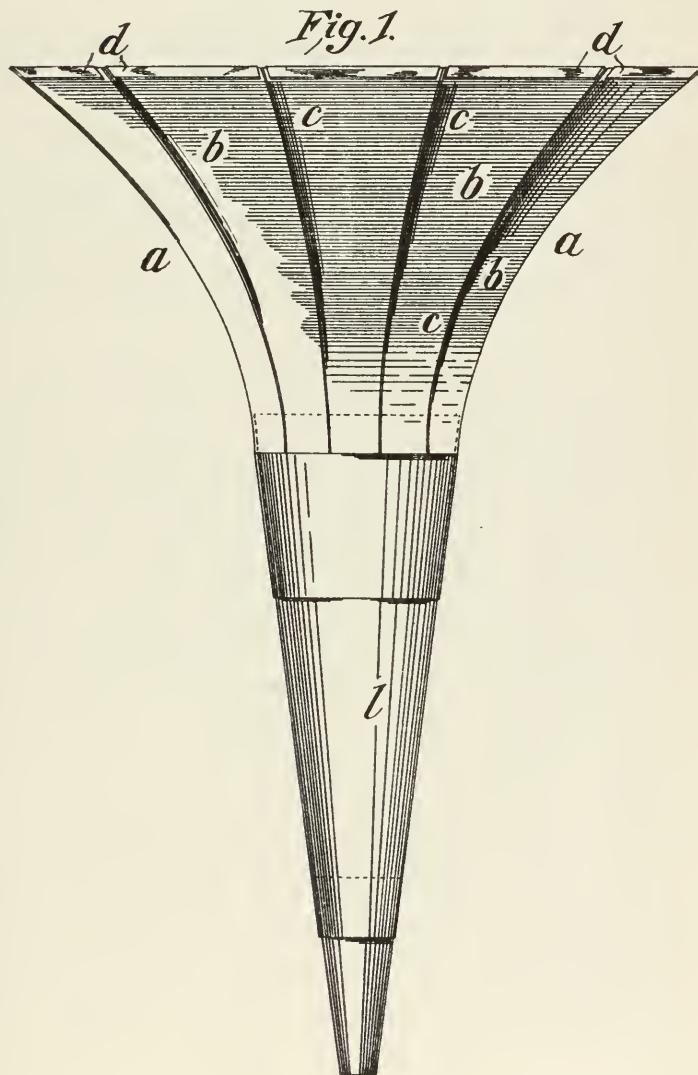
REISSUED JAN. 30, 1906.

G. H. VILLY.

HORN FOR PHONOGRAPHS, EAR TRUMPETS, &c.

APPLICATION FILED OCT. 26, 1905.

3 SHEETS—SHEET 1.



quent Berner Patent No. 926,235, procured by plaintiff itself; because the statements made by plaintiff in those two subsequent patents constitute admissions against interest which are binding upon plaintiff.

PLAINTIFF'S RELATION TO THE FOUR PATENTS.

Mr. Locke tells us that plaintiff's predecessor in title, the United States Horn Company, and the plaintiff itself, are the same in interest, controlled by the same interests (Locke, p. 170, XQ. 155; p. 187, RDQ. 119).

As to Villy's Reissue: Plaintiff's Exhibit, the assignment of Jan. 4, 1907 (in which the United States Horn Co. conveyed to plaintiff the Nielsen Patent in suit) recites that said United States Horn Co. acquired title to the Nielsen Patent on Feb. 24, 1905; and the same date of assignment is testified to by Messrs. Locke and Krabbe. Thereafter, on Oct. 26, 1905, while said United States Horn Co. still owned the *Nielsen Patent*, it applied for a reissue of the VILLY Patent No. 739,954 aforesaid, which was granted Jan. 30, 1906, as No. 12,442. In the second paragraph of the aforesaid assignment of Jan. 4, 1907, is the recital that said United States Horn Co. acquired the Villy original patent on Oct. 4, 1905, and "said United States Horn Company, as assignee of Gustave Harman Villy, did obtain reissued Letters Patent * * * numbered 12,442."

It is the presumption of law that the Villy Reissue has complied with the requirements of the Statute (Section 4916) in setting forth nothing not already set forth in the Villy original; and that Statute gives every statement in the reissue the status of having appeared in the original patent. The pertinent language of the Statute is:

“Every patent so reissued, together with the corrected specification, shall have the same effect and operation in law, on the trial of all actions for causes thereafter arising, as if the same had been originally filed in such corrected form; but no new matter shall be introduced into the specification, * * * ”.

In applying for and obtaining the Villy Reissue, plaintiff's predecessor was asserting that *Villy*, rather than Nielsen, was the first and true inventor of the subject-matter of the new Claims, *which in law relate back to the date of the original Villy Patent*, thus being prior in date to Nielsen. Villy's Reissue Claim 8 (for example) is as follows:

“8. A phonograph-horn or the like comprising a number of flexed strips having curved meeting edges, and means joining said edges, said strips being so flexed and said edges so curved and joined that the horn is given a trumpet-like or bell-like form, the strips forming angles where said edges meet.”

PLAINTIFF'S CIRCULAR LETTER OF
NOVEMBER 15, 1906.

Plaintiff quoted said claim 8 along with Nielsen's claim 3 in its circular letter of November 15, 1906 (pp. 49-50) referring to the Nielsen and Villy Reissue Patents by date and number, with the assertion that:

"All of the so-called 'Flower Horns' made by our aforesaid competitors are flagrant infringements of said patents." (P. 50); note the plural.

This Villy Reissue claim 8 recites explicitly *every* detail disclosed by Nielsen, except two. First, Nielsen's specification names "sheet-metal" and his Claim 2 calls for "metal," whereas Villy's Reissue Claim 8 does not specify any particular material,— and neither does Nielsen's Claim 3; but, Villy's Claim 8 is to be read as disclosing the phonograph-horn there set forth, composed of any well-known material for phonograph-horns, *e. g.*, sheet-metal. Second, Villy's Reissue Claim 8 names broadly "means" for securing together his curved gore-sections, whereas Nielsen discloses the abutting flanges [as in McVeety and Ford] as constituting *his* connecting-means. But, Nielsen's flanges are said by him to function as "ribs" to improve the acoustic properties of the horn; while the original Villy *Patent* has told us that the *curving edges* of his gore-strips not only produce the curving contour of the assembled horn, but also enable him to *dispense* with

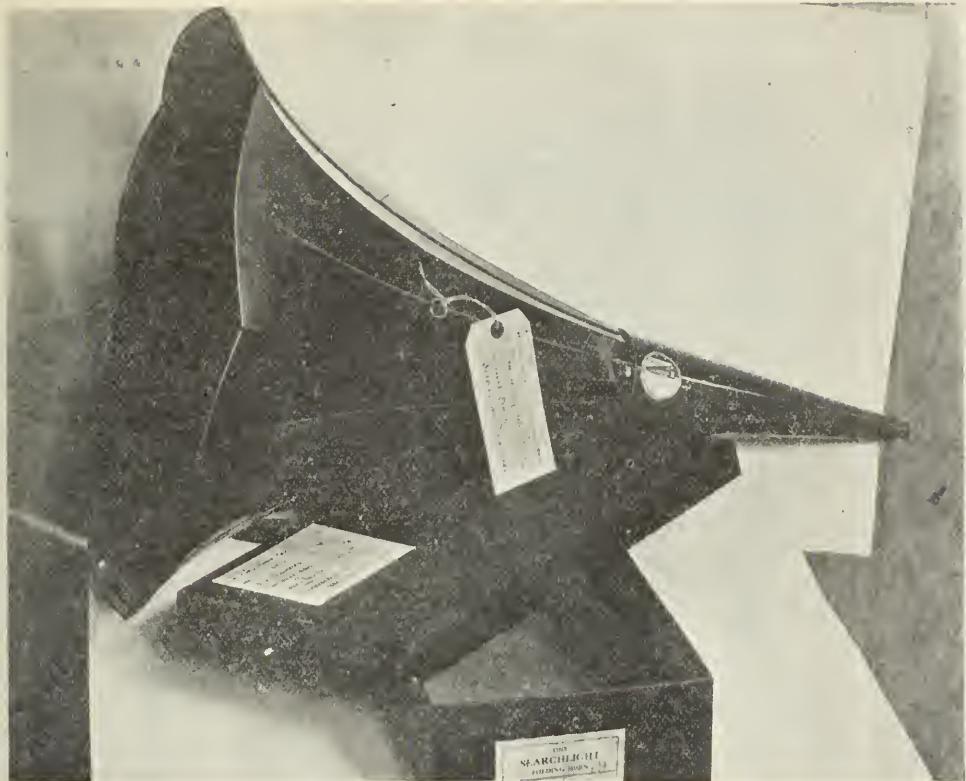
“additional stiffening or sustaining *devices*” (Villy’s original Patent, p. 2, lines 51-55). In short, Villy’s curving line of juncture of the curved gore-sections is stated by Villy to serve the same function Nielsen attributes to his ribs,—that is, Villy’s juncture is the mechanical equivalent for Nielsen’s juncture, and this statement is repeated by plaintiff in the Villy Reissue.

Obviously Villy on the record before this Court is infringed by Nielsen. As Nielsen infringes Villy, particularly claim 8, then why is Nielsen not anticipated by it. Perhaps that is why the United States Horn Co., predecessors of the present plaintiff-appellee bought the Villy Patent. It is quite likely and the Record leads one inevitably to that inference, and to no other.

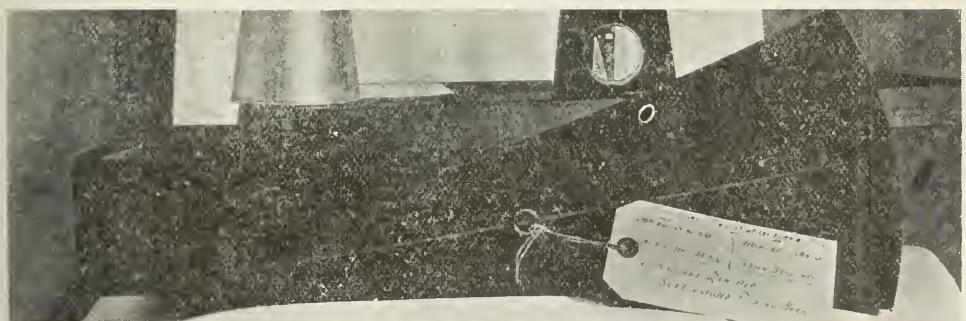
This is fortified by the said circular of plaintiff dated November 15, 1906. Why was this broad claim 8 of the Villy Reissue presented and allowed, unless it was to secure to Villy his invention without any limitation as to how the longitudinal strips should be joined together *or of what material* these strips should be made.

VILLY METAL HORN.

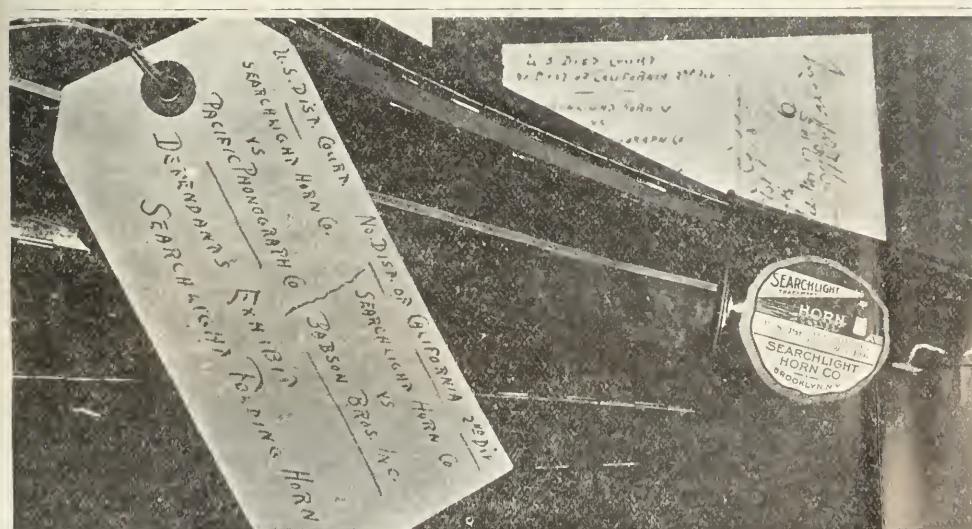
There is in evidence as “Defendant’s Exhibit Searchlight Folding Horn” (R. 178) a *red* “foldable” Villy Horn of *Metal*. Mr. Locke, president of the plaintiff testifies (X. Q. 92) that they made



VILLY—Metal Sectional Flower Ribbed Horn. Patented Sept. 29, 1903, Reissued Jan. 30, 1906.



SAME—Knocked-down.



VILLY—Metal Sectional Ribbed Flower Horn as manufactured by the Plaintiff and showing **Nielsen Patent Mark.** (Compare above with Nielsen's Claims.)

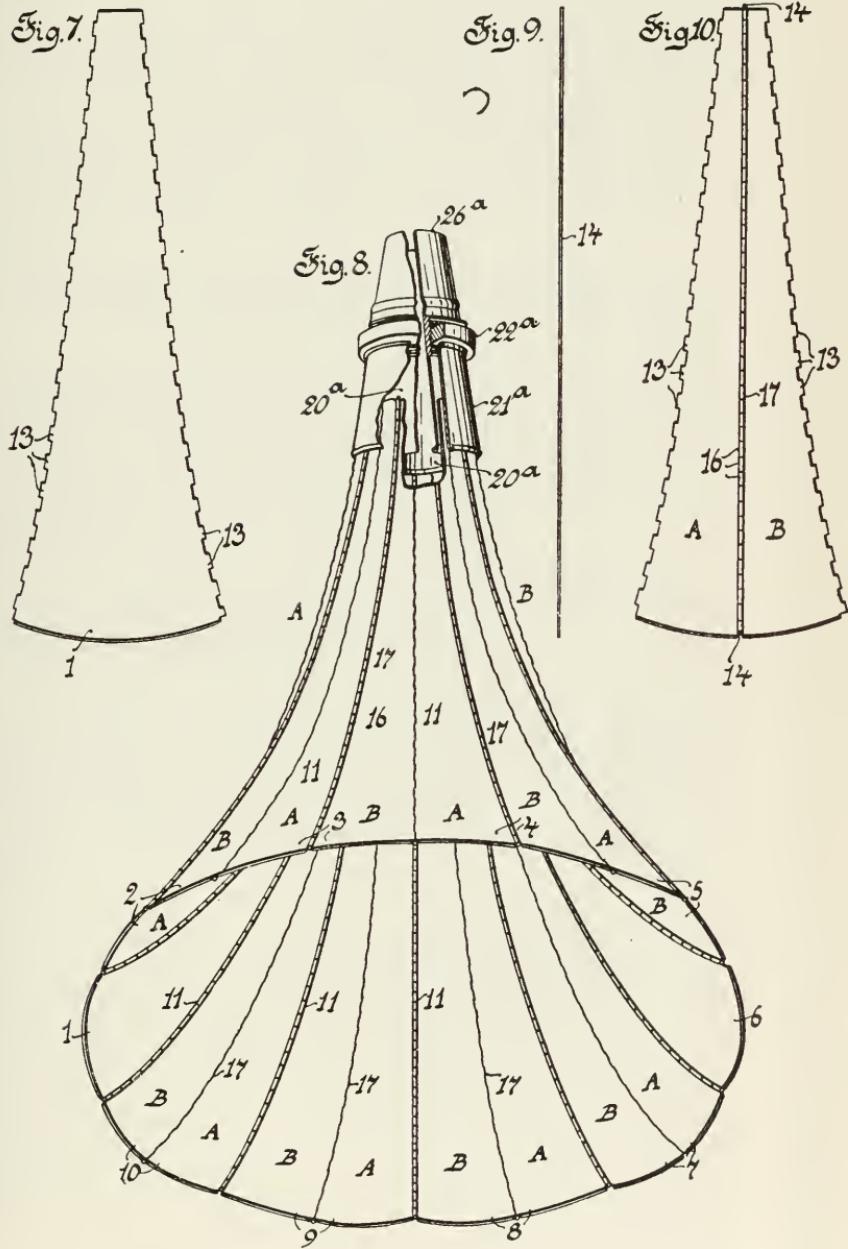
P. B. T. BERNER.
PHONOGRAPH HORN.

APPLICATION FILED AUG. 19, 1907.

926,235.

Patented June 29, 1909.

3 SHEETS—SHEET 2.





up about 3000 of *these Horns*. There is no testimony whatever to show that they ever made them of anything but metal. This red Villy Horn of metal bears the date of the *Villy Patent* and also the date of the *Nielsen Patent*. Concerning this *Villy metal Horn*, Mr. Locke wrote to the National Phonograph Co. December 12, 1906, (R. 181-2) that they considered it:

“The most perfect product of its kind ever turned out both structurally and acoustically.”

(A photograph of this letter appears at the back of this Brief. This letter is interesting in addition to the foregoing, as illustrating the longitudinally corrugated parabolic Horn of Plaintiff.)

Again he wrote on December 21, 1906 (R. 182-3), referring to “our Mr. Berner,” that:

“In reference to the metal used in the knock-down horn being too thin at the small ends of the sections we can use a heavier metal if desirable, though our present horns weigh half a pound more than the other horns in the market.”

As to Berner. On Jan. 4, 1907, the United States Horn Co. assigned to plaintiff the *Nielsen Patent* and the *Villy Reissue Patent*; and thereafter, on Aug. 19, 1907, plaintiff (while still owning those patents) applied for and obtained the *Berner Patent* No. 926,235, granted June 29, 1909, as an avowed “improvement” upon the “*horns shown in United States Patents 12,442 (Villy) of January 30, 1906*, .

and 771,441 (*Nielsen*) of October 4, 1904." (Lines 15-17, p. 1).

In plaintiff's letter of July 20, 1909 to President Dyer of the National Phonograph Co.—one of plaintiff's own exhibits—reference is made to the "patent just issued on our Folding Horn." Said Berner Patent was issued on June 29, 1909, and is manifestly the "just issued" patent referred to. In said letter of 1909 plaintiff makes the statement that the horn of its "just issued" patent is—

"the only practical all metal collapsible horn in the world * * *. Its amplifying and tone-qualities are equal to a lapped seam horn * * *. We are also owners of patents No. 731,154, issued Sept. 29, 1903 [Villy original], No. 771,441, issued Oct. 4, 1904 [Nielsen], and No. 12,442, reissued Oct. 26, 1905 [Villy Re-issue]. These are the earliest Flower Horn patents." (Oct. 26, 1905 is the *date of application* of the Villy Reissue.)

This ties up the four patents, and presents plaintiff as not only asserting the relationship of the four patents but as vouching for the statements made therein.

Now, the Villy original patent was for a collapsible horn, made up of gore-sections said to be composed of "paper, wood, linen, or *other* preferably FLEXIBLE material"; and we have already shown that *flexibility* was what Villy was after (as permitting his horn to be sprung into opened or closed position); and that, under the law, this was

to be read as disclosing sheet-metal, which also is a flexible material. And now comes plaintiff, with its Berner Patent, and calls for a foldable phonograph-horn composed of longitudinally-arranged gore-sections composed of "flexible sheet-metal," thus showing convincingly, and out of plaintiff's own mouth, that the Villy original patent is to be construed as disclosing the subject-matter of Villy's Reissue Claim 8, and as disclosing *flexible sheet-metal* as the material there set forth. Now, Villy had already told us in his original patent—though the information was not necessary—that

"I vary the method of jointing and stiffening them [the gore-sections] to suit the material from which the strips [the gore-sections] are constructed."

That is to say, when employing flexible sheet-metal, as the material, Villy would, of course, unite the sections by one of the known methods of uniting sheet-metal, which we have seen would produce the longitudinal "ribs."

But the Berner Patent goes even further. Berner discloses not only a foldable horn, but also says his construction can be employed for producing a *rigid* non-collapsible horn (p. 1, lines 55-60; p. 2, lines 28-36). And, after disclosing the "piano lid hinge" for uniting his gore-sections, Berner adds that, in case of a non-folding horn, the wire functions to produce a very substantial and durable connection which may be "additionally stiffened by the addi-

tion of a little solder if desired" (p. 2, lines 29-32), thus tying up the hinge connection of Villy and Berner's foldable horn with the *rigid* connection of Nielsen's and Berner's non-foldable horns.

To resume our consideration of the original Villy Patent, in the light of plaintiff's statements in the Villy Reissue and in the Berner patent: The Villy original patent explicitly discloses the curved-edge *gore-sections* which may be made of any "flexible" material; and in the Berner Patent plaintiff tells us that *sheet-metal* is a suitable flexible material. Villy tells us that the curvature of the joints constitutes a sufficient stiffening and gives sufficient rigidity, *i. e.*, is the *equivalent* for the "ribs"; and in the Berner Patent plaintiff admits—what was already well known—that the wire juncture (whether used for a foldable horn or for a rigid horn) serves as and *is in fact a stiffening rib*. In short, the original Villy Patent disclosed to persons familiar with the art, an outwardly-curving phonograph-horn composed of longitudinally-arranged gore-sections which might be made of sheet-metal and which might be united together along their meeting edges by well-known means which entail the presence of longitudinal ribs along the seams.

CLAIM 8 OF VILLY.

An interesting case closely in point on this subject was that of—

Holt Manufacturing Company vs. The Best Manufacturing Company, 172 Fed. 409 (Ninth C. C. A.),

which came before your Honors, in which case Judge ROSS during the course of the Opinion, observed:

“The record shows that, about two years before what the plaintiff claims as the Best invention, one Berry had procured the issuance to him of a patent for a ‘combined steam traction header and thrasher’ which invention the patentee declared relates ‘to that class of agricultural machines known as “combined harvesters and thrashers,” and particularly to that class in which the power of the engine is directed not only to the operation of the several parts of the machine, but also to the progression of the machine,’ the construction and combination of the device of which the patentee specifically described and claimed in a series of claims, the eleventh of which is as follows:

“‘11.—In a combined steam traction harvester and thrasher, the frame, A, and an engine carried thereby, whereby its progression is effected, in combination with the thrasher, I, connected with the frame, A, a supplementary engine, M, and power transmitting devices from said last-named engine to the cylinder of the thrasher, whereby it is driven at a uniform rate independent of the progression of the machine, substantially as described.’”

What Best did was not to invent a Combined Steam Harvester, but to make improvements in such Harvesters, and his patent shows upon its face that he himself so characterized his invention. (Nielsen says in his patent, that:—"I, Peter C. Nielsen—have invented certain new and useful improvements in horns for phonographs and similar machines.") Continuing in the Holt case, Judge ROSS goes on to show the different elements that the Berry machine consisted of, which is followed by a description of the operation by Berry, concluding as follows:

"Berry then proceeded to set forth his claims, the eleventh of which has been hereinbefore set out.

"We think it very plain, from what has been said, that Best cannot be properly regarded as a pioneer inventor, who is one who stands at the head of the art, or who has at least made such a distinct step in its progress as to distinguish it from a mere improvement or perfection of what had gone before, and that the court below should have so instructed the jury, and not have left it to them to determine that question.

"For the reasons stated, the judgment must be, and hereby is, reversed, and the cause remanded for a new trial."

Villy being the first in the field of Flower Horns, and by "first" we simply mean he was ahead of Nielsen, it is perfectly clear that Claim 8 of the Villy Patent, differentiated from the other claims, was intended to protect Villy in his right to make, use and sell—and prevents Nielsen or any one else patenting a horn made of longitudinal strips of any

material, including metal, with the longitudinal edges of these strips secured together in any known manner.

TWO-FOLD CLOUD ON NIELSEN TITLE.

The relation that the Nielsen Patent bears to the Villy patent is analogous to the situation in Cushman Co. vs. Denny, 147 Fed. 734, where the patent there, (issued to one Kelley), had been in Interference with another patent (issued to one Gorton), and the *broad claims had gone to Gorton.*

The Court said:

“It will be noted that the claims conceded to Gorton fit Fig. 1 of Kelley’s drawings; in fact, Fig. 1 of Gorton’s drawings is the same as Kelley’s Fig. 1 turned over. The clip of Gorton’s claims is precisely the clip of the patent in suit. The *complainant comes into court with this cloud upon its title, and it is not perceived that the prima facie validity of the patent has been established.”*

That case was affirmed at 157 Fed. 1002 in a memorandum opinion in which the Court added the following pregnant observation distinctly applicable to Nielsen:

“*We * * * are not satisfied that the device of the patent possesses the functional advantage claimed for it, viz., more uniform contact with the paper held in the clip.”*

If the Nielsen Patent has any novelty over *Villy*, it is in the specific and particular construction and

arrangement of his “outwardly directed flanges” of his claims 1 and 2, shown in Fig. 3 of his patent, and it is by reason of this restricted and limited feature alone that the right to practice his alleged invention rests. He had no monopoly by which he could prevent other manufacturers from dispensing with his specific “outwardly directed flanges” or building horns with a lap-seam or any other common form of juncture in use prior to the Nielsen patent. It may be, and probably is, that manufacturers of these lap-seamed horns (including *Nielsen*) are infringers of Villy; but the present defendant is not an infringer of Nielsen.

We, of course, understand that the doctrine of equivalents is applicable to combination claims. But it is the consensus of the leading cases that the application of that doctrine narrows, as invention narrows, until in the case of patents for slight improvements over existing devices it has little elasticity.

Walker on Patents, 4th Ed. 359, et seq.

Continental Paper Bag Co. vs. Eastern Co.,
U. S. Supreme Court, June 1, 1908.

The rule frequently followed in this Court is well stated by your Honors in *De Lamar vs. De Lamar Mining Co., Ltd.*, 217 Fed. 240.

See also Judge MORROW in *Faber vs. Marceau*, 87 Fed. 871:

“It follows that this is a case where in view of the state of the art a patentee is only entitled

at the most to the *precise method* mentioned in his claim. Boyd vs. Tool Co., 158 U. S. 260.” (Italics ours.)

To summarize briefly as to Villy, the Record now before your Honors establishes:

1. That the primary objections of Villy and Nielsen were similar as both sought to provide in the language of claim 8 of the Villy Reissue:

A phonograph horn comprising a number of flexed strips having curved meeting edges and means joining said edges, said strips being so flexed and said edges so curved and joined that the horn is given a trumpet-like or bell-like form, the strips forming angles where said edges meet.

2. The Villy horn like Nielsen was made of “strips of metal” as seen by the Villy Horns in evidence, and which were manufactured in considerable quantities and marketed by the present plaintiff-appellee.

3. That the Villy Patent in the light of the Reissue anticipates Nielsen.

4. It is immaterial whether Villy appreciated the laws of “tintinnabulation” at the time he filed his patent or not. Mr. Locke, president of plaintiff has said concerning the Villy Horn (R. 184):

“Its amplifying and tone qualities are equal to a lap-seamed horn.”

and Villy, even though he did not know at the time of filing his application that his method was applicable to other types of horns, he is nevertheless entitled to all the known and unknown uses of his discovery, for as said in

Herzog vs. New York Telephone Co., 172 Fed. 425:

“ * * * even though he did not know at the time of filing his application that his method was applicable to a telephone exchange, he is nevertheless entitled to the protection of the patent laws. He was not bound to set forth all the known and unknown uses of his discovery. Eames v. Andrews, 122 U. S. 40, 7 Sup. Ct. 1073, 30 L. Ed. 1064; Potts v. Creager, 155 U. S. 597, 15 Sup. Ct. 184, 39 L. Ed. 275; Pike v. Potter, 3 Fish. Pat. Cas. 55, Fed. Cas. No. 11,162.”

DOUBLE USE.

GERSDORFF: There are *three* Gersdorff patents to be considered. In 1887 Gersdorff procured a patent for a funnel (referred to in his 1891 patent in evidence, No. 453,798, in lines 63-69) in which the usual rounded nozzle of the ordinary funnel was *flattened* to produce one or more flat *sides* to provide “air-vents.” Hence that feature, the flat-sided “air-vent” nozzle, forms no part of the two later Gersdorff patents in evidence.

In 1888 Gersdorff applied for the improved funnel [of his 1893 patent in evidence] and showed a “strainer” detachably located therein; but, in 1890,

(No Model.)

A. GERSDORFF.
FUNNEL.

No. 453,798.

Patented June 9, 1891.

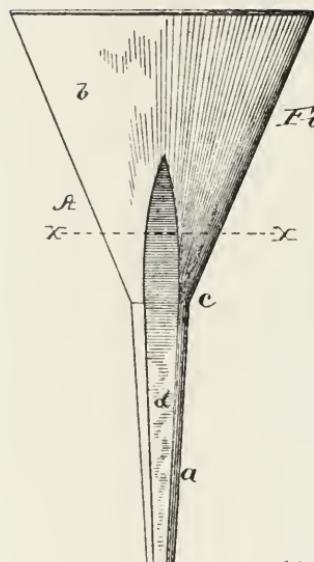


Fig. I.

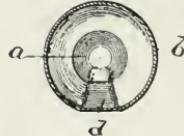


Fig. II.

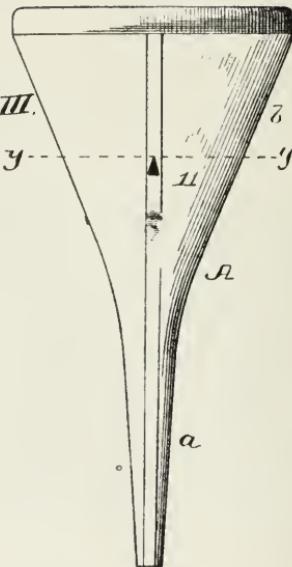


Fig. III.

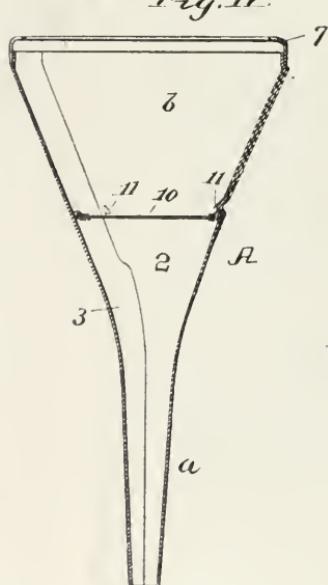


Fig. IV.

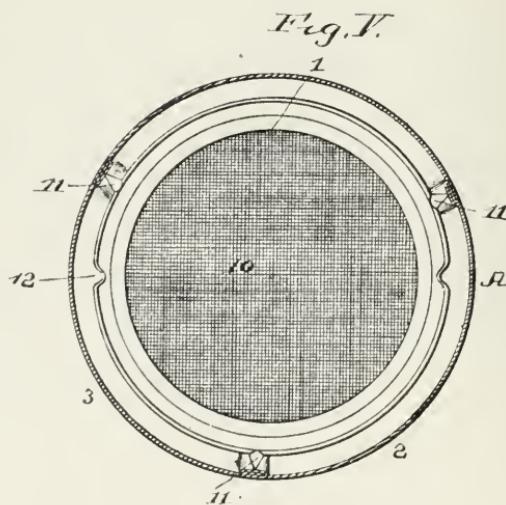


Fig. V.

while that second application was still pending, he filed a third application for the detachable strainer, —which eventuated in his 1891 patent also in evidence, No. 453,798, which latter *claims* the combination of the detachable strainer. Therefore the strainer-combination forms no part of the invention of his 1893 patent in evidence, No. 491,421. However, those two patents, of 1891 and of 1893, were copending and are quite similar in their pertinence as disclosing the structure of the *Nielsen* horn.

In each of the two patents in evidence, Gersdorff refers to the old practice of forming the body and the nozzle of the funnel separately, the body of *one* piece and the nozzle of *another* piece, and then uniting the two together by the annular “joint *c*, in the ordinary manner,” as shown in Fig. 1 of his 1891 patent No. 453,798. See lines 45-47 of that patent, and lines 30-35 of his 1893 patent. That is precisely the construction of Hawthorne & Sheble’s “B. & G.” phonograph-horns, and of the phonograph-horns of the Runge, the Marten, and the Sheble patents in evidence.

Gersdorff, however, says that this old construction has proved *defective*, and [emphasis and emended punctuation our own] that—

“as a better and cheaper manner of making the funnel, I prefer to construct it in *longitudinal sections* (1, 2, 3), which may consist of two, three, or more,—each section forming a part of the body and nozzle of the funnel” (1891 patent, lines 48-52); and that said longitudinal sec-

tions “are united upon longitudinal lines, so that each section extends from the *upper* end to the *lower* end of the funnel and constitutes a part of the body and a part of the nozzle of the same, as shown” (1893 patent, lines 38-42).

Gersdorff emphasizes this by repeating in each patent:

“The sections 1, 2, 3, of the funnel extend from the *top* of the body to the *lower end* of the nozzle, each section forming a part of the body and nozzle” (1891 patent, lines 70-72); and: “As hereinbefore stated, the funnel is made wholly of *longitudinal sections*, which extend from the *top* of the body of the funnel to the *lower end* of the nozzle” (1893 patent, lines 72-75).

Gersdorff continues (emphasis and interpolated comments ours):

“The sections are united together along their side-edges, through the body of the funnel by bending the same to form *flanges* [as Nielsen subsequently did], and by [thereupon] interlocking and soldering the flanges together [defendant’s horns have interlocked flanges, Nielsen probably “soldered” his], thus forming the longitudinal *seams*” (1891 patent, lines 77-81; 1893 patent, lines 79-84).

When the flanges *remain upturned*, as in Nielsen’s drawings, and in the McVeety and Ford patents, they constitute “ribs”; but when *turned down* in interlocking, as in Gersdorff and in defendant’s horns, they are more properly designated “seams,” —but the Court below has held the term “ribs” applicable to defendant’s interlocked *seams*, and it is

(No Model.)

A. GERSDORFF.
FUNNEL.

No. 491,421.

Patented Feb. 7, 1893.

Fig. 1.

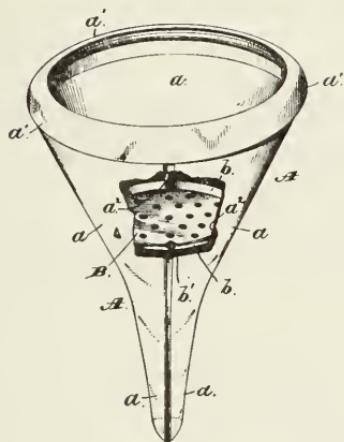


Fig. 2

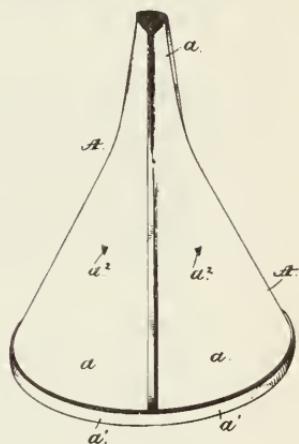


Fig. 4.

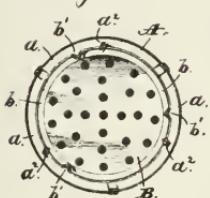


Fig. 3.

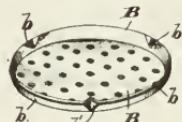


Fig. 5.

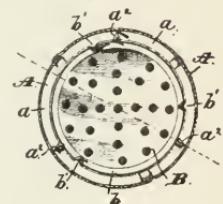
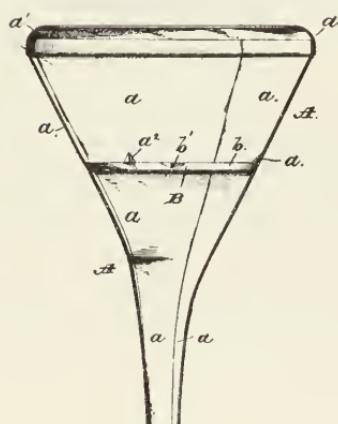


Fig. 6.



therefore equally applicable to Gersdorff's identical seams. *Peters vs. Active*, 129 U. S. 530, *supra*, etc.

Gersdorff's 1891 patent says (emphasis ours,—lines 63 *et seq.*):

“The *preferred* form of the funnel shown in Figs. III and IV has its nozzle provided with a plurality of *flat sides* and forming a series of vents * * * as shown and described in a prior patent issued to me February 8, 1887, and numbered 357,476.”

In other words the *flattening* of the sides is merely one “*preferred*” or *optional* feature that may be dispensed with; and when this 1891 patent issued, it taught how to construct the curving funnel there shown, made up of a plurality of gore-sections of sheet-metal that extend the *full length* of the device and are united by interlocked flanges which constitute (in Gersdorff's own words) “*longitudinal seams*”—either with the ordinary tapered cylindrical nozzle, or with the special patented “*flat-sided*” nozzle.

This 1891 Gersdorff patent is directed to the “*detachable strainer*” and the means for its detachable connection. The specification concludes by saying:

“No claim is *herein* made to the funnel made of longitudinal sections, each section forming a part of the body and nozzle of the funnel and extending from the point [tip] of the nozzle to the top of the body, the sections being joined together by longitudinal seams,”—

and yet we now see that, *thirteen years later*, Nielsen makes claim to that very subject-matter. Gersdorff continues that neither is any claim made *in said 1891 patent*—

“to the nozzle formed with the flattened side or sides, as these [two] features form the subject-matter of a separate application” * * * (the 1893 patent in evidence.)

But, at the very outset we pointed out Gersdorff’s statement, in his 1891 patent, that the latter feature (the flat-sided air-vent) formed the subject-matter of the still earlier Gersdorff patent of 1887; and that it is only *optional* in this 1891 patent. Therefore it is clear that the whole spirit and teaching of Gersdorff’s 1893 patent, the supposed *novelty* it contributed, is the employment of longitudinally-extending gore-sections; and even *that* construction could not be claimed as novel *per se*, as far back as 1893, but only in *combination with* the previously-patented “flat-sided air-venting” nozzle. Gersdorff’s patents have long since expired, and every one is free to use his disclosures either in whole or in part. Gersdorff himself could not, in 1893, obtain a patent on merely the longitudinal-section construction; and no more could any one else, after Gersdorff’s 1891 patent had disclosed it. Certainly there could be no invention in merely retaining the ordinary rounded nozzle (instead of giving it Gersdorff’s peculiar flattening).

It will prove interesting to read the two Claims of the 1893 patent, especially Claim 2 (the narrower

one), in connection with *Nielsen's* disclosure,—omitting the reference to the unnecessary flattening of the nozzle, and recalling that a *funnel* does not lose its identity by being used as a “phonograph-horn,” *e. g.:*

Claim 2 of Gersdorff, No. 491,421:

“2. As a new article of manufacture, a funnel [whether used on a phonograph or elsewhere] made of longitudinal sections united together by longitudinal seams [to *call* *Nielsen's* junctures “ribs” does not prevent them from being *seams*; and if *Gersdorff's* “seams” are not *ribs*, neither are the *flattened* interlocked seams of defendant's horns], and each section forming a part of the body and nozzle of the funnel [or phonograph-horn] * * * the seams of the body being formed by interlocking and soldering flanges and the seams in the nozzle being soldered together, whereby the inner surface of the body and nozzle is made *smooth*, substantially as described” [*Gersdorff's* drawings show his “seams” as located *externally* to leave this “smooth” inner surface. Fig. 2 of this 1893 patent (an *external* “perspective”) clearly shows the “seam” or *rib* extending the whole length of the funnel; while Fig. 6 (a “cross-section” showing the *interior*) presents merely the crevice or line of juncture and shows there is no *internal* seam or *rib*].

In this immediate connection, we will find it interesting to read *literally*, upon *Gersdorff*, *Nielsen's* two Claims in suit, remarking only that “a horn for phonographs” is after all a mere *funnel*, *e. g.:*

NIELSEN'S CLAIM 2:

"2. A horn for phonographs and similar machines [whether the Gersdorff funnel be used as a conduit for a fluid or for a conduit for sound-waves, is a mere "double-use"], the *body* portion of which is composed of longitudinally-arranged strips of metal [Gersdorff calls *his* gore-sections "sections"; and they are of *metal*,

—else he could not interlock their flanged edges; and they are *longitudinally-arranged*] provided at their edges with longitudinal outwardly-directed flanges [Gersdorff tells us he bends up the edges of his sections "to form flanges"; and we have seen that Gersdorff's flanges are *external* or "outwardly-directed."] whereby said strips are connected [Nielsen probably soldered the still-upturned abutting flanges; in defendant's horns the flanges are bent down and interlocked,—but the Court below held the two equivalents; and Gersdorff both interlocks and also solders],

and whereby the body portion of the horn is provided on the outside thereof with longitudinally-arranged ribs [Gersdorff's interlocked and soldered seams extend "longitudinally," are located on the "outside" of his article, and constitute "ribs": and certainly the Court below held the interlocked seams of the horns of the Columbia Co. and of prior defendants to be the equivalent of Nielsen's *ribs*; hence Gersdorff's "seams" also are *ribs*],

said strips being tapered from one end of said horn to the other [Gersdorff's sections or strips are clearly "tapered," and taper from the tip of the nozzle to the top of the funnel-mouth; and the Gersdorff funnel has an outwardly-curving contour, too, if curvature is relied on for Nielsen],

substantially as shown and described.” [Gersdorff’s funnel, in shape, material, manner of construction, and manner of assemblage, is—in most minute detail, too,—“substantially as shown and described” in the *Nielsen* drawings and specification.

NIELSEN’S CLAIM 3.

“3. A horn for phonographs and similar instruments [the purpose for which Gersdorff’s “funnel” is put does not change its identity], said horn [or funnel] being larger at one end than at the other and tapered in the usual manner [literally true of Gersdorff’s outwardly-curving funnel],

said horn [or funnel] being composed of longitudinally-arranged strips [Gersdorff’s “three or more” sections, 1, 2, 3, etc., are “longitudinally-arranged”]

(said strips being) secured together at their edges [true of Gersdorff’s strips], and the outer side thereof (at the point—more correctly, the *line*—where said strips are secured together) being provided with longitudinal ribs [true of Gersdorff’s *external* “longitudinal seams”; if they are not “ribs” in the sense of the Nielsen Patent, neither are defendant’s, and there is *no* infringement].

substantially as shown and described” [which adds nothing, because every slightest detail of construction set forth by Nielsen is found in Gersdorff].

The successive developments of the funnel, and what the world had learned from Gersdorff, or already knew, can be set forth in *four* steps, viz.:

1. The old-fashioned funnel, the nozzle formed of one piece of sheet-metal bent around to form a slightly-tapered cylindrical tube, and the body formed of another piece of sheet-metal bent around to form a more widely-flaring cone, and the two parts then united together by an annular joint, extending around the “waist-line” so to speak. (B. & G. Horn.)
2. Gersdorff’s 1887 patent, referred to in his 1891 patent, merely *flattened* the cylindrical nozzle of the old funnel, to produce one or more flat faces to serve as air-vents, see “d” of Figs. I and II of said 1891 patent.
3. Gersdorff’s 1891 patent, devoted to the detachable “strainer” and the means for securing it *detachably* in place, but nevertheless containing Gersdorff’s first published disclosure of the longitudinal-section construction, and disclosing it as applied either to (A) funnels with the ordinary round (tapered cylindrical) nozzle, or to (B) funnels with the special flat-sided nozzle.
4. Gersdorff’s 1893 patent, disclosing and featuring the longitudinal sections, but forced to claim the same only in combination with the already-patented flat-sided nozzle.

As soon as the 1891 patent came out, the public knew how to construct the curving longitudinally-sectional funnel there shown, either with the ordin-

ary round nozzle or with the special flat-sided nozzle. The 1893 patent expired Feb. 7, 1910; and since then the public has been free to use the form with the flat-sided nozzle; but the public has *always* been free to construct and use the one with ordinary round nozzle, even during the life-time of the Gersdorff patents, because the Claims of the 1891 patent were limited to the detachable strainer, and the Claims of the 1893 patent were limited to the flat-sided nozzle. The public having always had the right to use the ordinary *round*-nozzle Gersdorff funnel for any purpose, Nielsen cannot take away that right.

Passing by, for the moment, the particular uses to which the several devices are put, we say (1) that *as mere inert metallic structures* defendant's horns and the Nielsen device are IDENTICAL with the Gersdorff longitudinally-sectional device with the ordinary round nozzle [and not patentably different from the alternative Gersdorff device with flat-sided nozzle], Gersdorff (as well as defendant and Nielsen) having his adjoining curve-edge sheet-metal gore-sections united to one another by their marginal flanges in such manner as to produce a longitudinal "seam" or "rib" along each line of juncture; and (2) that *if* used as "phonograph-horns," it is self-evident that the Gersdorff and the Nielsen devices being *structurally* identical will *behave* identically. No further argument is needed to demonstrate either fact.

True the “funnel” may possibly have been *smaller* than the “horn”; but that is not a patentable distinction. In the eyes of the patent-law they are the same.

Phillips vs. Page, 16 Law. Ed. 639; 24 How. 164.

Woodbury vs. Keith, 25 Law. Ed. 939; 101 U. S. 479, 490.

Amer. Road Mach. vs. Pennock, 141 Law. Ed. 337; 164 U. S. 26.

Now we assert that it does not change the identity of the Gersdorff device to use it as a “phonograph-horn”; and that Nielsen’s patented “phonograph-horn” is a mere case of DOUBLE USE, and therefore not patentable. A prior patentee “is entitled to all the uses to which his device can be put, no matter whether he had conceived the idea of the use or not.”

Roberts vs. Ryer, 23 Law. Ed. 267, 270; 91 U. S. 150, 157.

American vs. Elec., 36 Law. Ed. 327, 329; 144 U. S. 11, 18.

Lovell vs. Carey, 37 Law. Ed. 307, 312; 147 U. S. 623, 637.

Miller vs. Eagle, 38 Law. Ed. 121; 151 U. S. 186.

If Nielsen had been the *very first* man who ever employed an amplifying-horn to augment the sounds

emitted by a phonograph, *if* no one else had ever attempted that prior to Nielsen, then there would be room for contending that, in taking a “funnel” from a remote art and using it in a non-analogous manner to produce a new result (the amplifying of the phonograph-music), Nielsen had made an invention, —but the facts are:

“He invented no *new device* [as a mere inert metallic structure, Nielsen’s “horn” is the same as the Gersdorff “funnel”]; he used it for no *new purpose* [amplifying-horns had long been used for playing phonographs]; he applied it to no *new machine*” [phonographs were old].

Mast-Foos vs. Stover, 44 Law. Ed., 856,;
177 U. S. 485, 493.

And even conceding to Nielsen full credit for every achievement and every merit asserted by plaintiff, yet if entitled to any patent at all it must be for the actual horn he claims; it is not for the *idea* of utilizing such and such supposed principles, nor for the attaining of such and such alleged beneficial *results*. In the words of Mr. Justice STORY (in *Bean v. Smallwood*, 2 Story, 408), at least twice quoted with approval by the Supreme Court [emphasis and interpolated comments our own]:

“Now, I take it to be clear, that a machine or apparatus, in order to give the party [Nielsen] a claim to a patent therefor, must *in itself* be substantially new. If it is old and well known [as an ordinary “funnel”], and applied only to a *new purpose* [as a “phonograph-

horn''], that does not make it patentable.''
Quoted with approval in—

Le Roy vs. Tatham, 14 Law. Ed. 367; 55 U. S. 156, and in—

Busell vs. Stevens, 34 Law. Ed. 719, 720; 137 U. S. 423, 434.

In a famous leading case, the Supreme Court said [emphasis and interpolated comments our own]:

“It is not the result, effect, or *purpose to be accomplished* [*e. g.*, to use a vinegar funnel as a phonograph-horn] which constitutes invention or entitles a party to a patent, but the MECHANICAL MEANS or instrumentalities by which the object sought is to be obtained. Patents cover the MEANS employed to effect results [citing other authorities]. The prior invention [of Gersdorff] covered the means, and the *only* means by which the results sought by the patentee [Nielsen] were to be accomplished; and it is settled that [Gersdorff] the patentee of such prior device would be entitled to *all* of its uses whether described [by Gersdorff] or not.”

Miller vs. Eagle, 38 Law. Ed., 121,
151 U. S. 186,

In another case Circuit Judge WALLACE had pointed out that the inventor of the patent there in suit was “entitled to the merit of being *the first* to conceive of the convenience and utility of a gate-opening and closing mechanism which could be operated efficiently by an attendant in the *new* situation”; and that “the new situation required adequate *modifications* of existing devices * * * ap-

propriate to the *new* occasion.” But [emphasis and interpolated comments our own]:

“his [Nielsen’s] right to a patent, however, must rest upon the novelty of the MEANS he contrives to carry his idea into practical application. It *rarely* happens that old instrumentalities are so perfectly adapted for a use for which they were not originally intended as not to require any alterations or modifications. If these changes involve only the exercise of ordinary mechanical skill [*e. g.*, making the Gersdorff funnel on a larger scale, and making its nozzle fit the phonograph], they do not sanction the patent; and, in most of the adjudged cases where it has been held that the application of old devices to a new use was *not patentable*, there **WERE** changes of form, proportion or organization of this character which were necessary to accommodate them to the new occasion.”

And the Supreme Court paid Judge WALLACE’S Opinion the unusual compliment of quoting it and making it their own.

Aron vs. Manhattan, 33 Law. Ed. 272, 275; 132 U. S. 91, 98.

In still another case, the Supreme Court sums up and formulates the law by saying [emphasis and interpolation our own]:

“ * * * it is well-settled by the authorities that the *end* or *purpose* sought to be accomplished by the device [*e. g.*, Nielsen’s alleged “doing away with the mechanical, vibratory, and metallic sound usually produced in the operation of such phonograph-machines, and also

the producing a full, even, and continuous volume of sound in which the articulation is clear, full and distinct"—second paragraph of Nielsen Patent] is *not* the subject of a patent. The invention covered thereby must consist of *new* and useful MEANS. In other words, the subject of a patent is the *device* or *mechanical* means by which the desired result is to be secured" * * * citing numerous authorities * * * "and if such means, adapted to effect the desired results, do not [in themselves, in their own inherent structure] involve invention, they can derive NO AID OR SUPPORT from the end which is sought to be secured."

Knapp vs. Morss, 37 Law. Ed. 1059, 1062; 150 U. S. 227-8.

One who discovers some new property in an old thing, or some important result in a new location of an old thing,—without involving any mechanical change in that old thing [without making any mechanical change in the Gersdorff device] is not entitled to a patent.

Bullock Elec. Co. vs. Gen'l. Elec., 162 Fed. Rep. 28, 36 (Third C. C. A.);

Ryan Car Co., vs. Poultry Co., 195 Fed. 525 (Seventh C. C. A.).

FURTHER DECISIONS RE "DOUBLE USE."

Potts vs. Creager (155 U. S.) has sometimes been cited as holding that the taking of a device from a remote art, and employing it for a new and non-analogous purpose, constitutes patentable inven-

tion. That is *not* the law; the statement is far too broad. What Mr. Justice BROWN said in that case was that the employment of an old device for a new but *analogous* use was never a patentable invention, whereas, if the new use is in a *non-analogous* art, the change *may* involve invention. He was careful not to commit the Court to the *incorrect* assertion that "where the two arts are remote, and if the new use of the old device produces a new result, then patentable invention is conclusively established." On the contrary, what the Court said was:

"If the relation between them [the two arts] be remote and especially if the use of the old device produces a new result, it **MAY** at least involve an exercise of the inventive faculty,"—NOT the broad dictum: 'it *does* constitute a patentable invention.' "

The emphasis upon the word "may" is *not* our own; in the subsequent case of *Hobbs vs. Beach* (180 U. S. 383), Justice BROWN quotes his own language in *Potts vs. Creager*, and in doing so he himself italicizes the word "may" in the passage we have just quoted. See:

Hobbs vs. Beach, 45 Law. Ed., 586, on p. 591; 180 U. S. 383, on p. 390.

In other words the remoteness or non-analogousness of the two arts is *not* the test; the transfer to a remote art *may*, and again it *may not*, involve invention.

In *Potts vs. Creager*, the Court said:

“But where the alleged novelty consists in transferring a device from one branch of industry to another, the answer depends upon a VARIETY of considerations. In such cases we are bound to inquire into [1] the *remoteness* of relationship of the two industries; [2] what *alterations* were necessary to adapt the device to its new use, and [3] what the *value of such adaptation* has been to the new industry.”

And Justice BROWN continues, that when the transfer is to a *remote* industry, and when the effect of *such* transfer has been to supersede other methods of doing the same work, *then* [and ONLY then] “the Court will look with a *less critical eye* upon the MEANS employed in making the transfer” (page 606 of U. S., page 279 of Law Ed.). The Supreme Court continues that the *prior* patentee is entitled to every use to which his invention is susceptible; but that if a later person has taken the prior man’s old device, and, *by improving* thereon [that is,—by making *some change* in it], has *adapted* it to a different industry [to which it was not adapted in its former state], then the later man also may draw to himself the quality of inventor (page 606 of U. S., page 279 of Law Ed.).

Potts vs. Creager, 39 Law Ed., 275, 278; 155 U. S., 579, 606.

The Potts vs. Creager decision was in entire consonance with prior decisions. Thus, in *Ansonia* vs.

Electric (144 U. S. 11), Mr. Justice BROWN had previously asserted, as thoroughly established, the rule that—

“It is no new invention to use an old machine for a new purpose. The inventor of a machine is entitled to all the uses to which it can be put, no matter whether he had conceived the idea of the use or not” (citing *Roberts v. Ryer*, 91 U. S., *supra*);

and he added:

“On the other hand, if [1] an old device or process be put to a new use which is *not* analogous to the old one, and if [2] the *adaptation* of such [device or] process to the new use [*i. e.*, if the changes that have to be made to enable it to do what it could *not* do before] requires the exercise of [3] *inventive skill* to produce it, such new use will not be denied the merit of patentability.”

Ansonia vs. Electric, 36 Law. Ed., 327, 329; 144 U. S., 11, 18.

And still earlier, in *Lovell vs. Carey*, (147 U. S. 623), Mr. Justice BLATCHFORD had held that a patentee is entitled to every use to which his patented invention can be put, and the public is likewise not to be deprived of any use to which the device of an expired patent can be put; that the application of an old device to a new use in an “analogous” art, will *never* support a patent; and neither will the application of an old device to a new use in a “*non-analogous*” art, except where

ingenuity amounting to invention is required for ADAPTING the old device to the new use.

Lovell vs. Carey, 37 Law. Ed., 307, 312; 147 U. S., 623, 637.

In *Stearns vs. Russell* (85 Fed., 218), Judge TAFT, speaking for the Court of Appeals, calls attention to the "very carefully and cautiously worded discussion" in this Potts-Creager decision, and states that it includes, "as very large elements to be considered"—

"The CHANGES in the old device, required to adapt the old device to the new use, and the remoteness of the new use";

and Judge TAFT then points out that, in the Potts-Creager case—

"the *changes were marked*. The old device would have been *wholly inoperative* if applied as it was [*i. e.*, if applied in its original and unchanged condition] to disintegrating clay."

The patent before Judge TAFT was for a "pill-dripping apparatus"; and the defendant set up a prior device for applying sheets of paper to a *printing-press*, and other prior devices for *lifting nail-heads*, etc. All these devices bore the structural resemblance of having a suction-tube, yet the lower Court held them not pertinent, because taken from "non-analogous arts." But the Court of Appeals reversed this, saying:

"In the case before us [as in the present Searchlight-Columbia case] no change was

necessary at all, except the simple disengagement from other parts of a larger machine, and a mere reduction of size in the holes in the contact-tubes."

So in the present case, the Gersdorff funnel does not even have to be "disengaged" from anything, and no unusual change in size is required (other than merely to fit its smaller end [its "contact-tube"] to the "contact-tube" of the particular phonograph).

Judge TAFT then discusses other decisions where a device taken from one art had to be *changed* to adapt it to use in a non-analogous art; and he observed that "the new use involved a new force," and that "in those cases the patents were sustained on the ground that *ingenuity* was shown in *devising the mechanism needed* to apply the principle of the old machine to the new use"; and he sums up by saying:—

"the cases in which it has been held that an old machine applied to a new purpose is *not* a new patentable machine are SO NUMEROUS that it would take too much space to cite them all"—

but he cites about a dozen.

Stearns vs. Russell, 29 C. C. A., 121; 85 Fed. Rep., 218, 229-31.

Judge TOWNSEND held the Van Depoele patent for an "overhead trolley structure" anticipated by

a *tilting office-chair* and also by an ANIMAL TETHER!

Thomson vs. Winchester, 71 Fed. Rep., 192, 208.

Upon a later and independent consideration of the same patent, Judge SHIPMAN reached the same conclusion, saying:

“The conception of the *result*, or of its useful character, is not patentable. The MEANS by which the result is accomplished are patentable, if they are of *an inventive character* * * * A railroad turn-table or rotatable office chair, with a tension spring adjustment, did not probably tell the inventor how to make his rotating support,”—that is, the prior device was not in itself in Van Depoele’s mind, being simply an instance which showed that no invention was required on Van Depoele’s part.

Thomson vs. Union, 87 Fd. Rep., 879, 882.

In a later case, a patent for a “savings-bank” for paper-money, containing a tube with a marginal rod of inwardly-extending teeth, was held invalidated by a MOUSE-TRAP!

Burns vs. Mills, 74 C. C. A., 545; 143 Fed. Rep., 325.

See also:

Schreiber vs. Grim, 19 C. C. A., 67-70; 72 Fed. Rep., 671, 674;

Palmer vs. Lozier, 33 C. C. A., 255; 90 Fed. Rep., 732, 744-5;

Standard Caster vs. Socket, 51 C. C. A., 109;
 113 Fed. Rep., 162;
 Lewis vs. Semple, 101 C. C. A., 411; 177
 Fed. Rep., 407, 410 (Ninth Circuit);
 Webster vs. Dunham, 104 C. C. A., 346;
 181 Fed. 38,9.

THE DEFENSE OF LACHES AND ESTOPPEL.

The issue as to Estoppel and Laches for plaintiff in the case at bar is presented by the Answer as follows (R. 21-24):

XVI.

“This defendant says that it has never manufactured, or caused to be manufactured, any talking-machine horns whatever; and that all the horns used or sold by it during the past seven years were procured from one of two sources only, to-wit either from the Hawthorne Manufacturing Co. of Bridgeport, Connecticut, or its predecessor Ellsworth A. Hawthorne of said Bridgeport, or his predecessor the Hawthorne & Sheble Manufacturing Co. of Philadelphia, or its predecessor the firm of Hawthorne & Sheble of Philadelphia, or from the National Metal Stamping and Manufacturing Co. of Newark, New Jersey, or its predecessor the Tea Tray Co., of said Newark, and from no other source whatever. And this defendant has been advised and believes, and therefore avers, that during and prior to the year 1906 and continuously ever since, said

Hawthorne concerns and said Tea Tray Co. (and its successor), and also the Standard Metal Mfg. Co. of Newark, New Jersey, have been and now are openly and notoriously manufacturing and selling,—and this defendant and the Victor Talking Machine Co. of Camden, [18] New Jersey, and the Edison companies of West Orange, New Jersey, have been and now are openly and notoriously using and selling phonograph horns substantially the same in all respects as the horns understood to be complained of herein; and that the parties aforesaid have continued to the present time thus to deal in the said horns as aforesaid, at all times to the full knowledge of this plaintiff and of the United States Horn Co. (from whom plaintiff is understood to derive its alleged title to the Nielsen Patent in suit) and without any protest or objection whatever on the part of the owner of said Nielsen Patent except as set forth below, to-wit, (1) on or about February 10, 1906, said United States Horn Co. represented itself to said Hawthorne and Sheble concern as the owner of said Nielsen Patent, and asserted that said patent was being infringed by said Hawthorne and Sheble and by said Tea Tray Co. and by certain other manufacturers, and suggested that said alleged infringers should unite in acquiring said Nielsen Patent or rights thereunder; and that said Hawthorne and Sheble after investigation, replied that said Nielsen Patent was invalid and of no force and effect in law, and that they would continue the

manufacture and sale of the horns aforesaid without paying any further attention to said Nielsen Patent; and (2) that as early as May, 1906, said United States Horn Co. asserted to said Victor Talking Machine Co. that the former owned said Nielsen Patent and that the latter was infringing the same, and demanded that said Victor Talking Machine Co. desist from the alleged infringements, and threatened patent suit in case of refusal; but that said Victor Co., after investigating said Nielsen Patent, paid no further attention to the same; and that thereafter to the present time said horn manufacturers have not been interfered with by this plaintiff or its supposed predecessors in title. [19]

XVII.

“That, in view of the long-continued course of dealing above set forth, and at all times well known to this plaintiff and its predecessor in title, defendant has long since been led to believe, and was justified in believing, that said Hawthorne and Sheble and said Tea Tray Co. had the perfect right to manufacture the horns aforesaid and to sell the same, and that this defendant had the perfect right to acquire and use and sell the same without interference by any patent owner, and that, relying upon the consistent conduct aforesaid of said United States Horn Co. and this plaintiff during all the period aforesaid, and their said acquiescence in the putting out of said horns, this defendant was induced to expend

and did expend large sums of money in acquiring for the benefit of its customers the horns understood to be now complained of, and in delivering the same to them; and that said horns were so sold because of their attractive dress and appearance, and not because of superior acoustic quality. Wherefore, this defendant says that it is contrary to equity and good conscience for complainant to maintain against it this suit in equity, or to obtain an injunction or an accounting or any other relief whatever."

THE INEQUITABLE CONDUCT OF PLAINTIFF-APPELLEE AND ITS LACHES.

When all has been said regarding invention or lack of invention by Nielsen, or infringement or non-infringement by defendant, there still remains the unanswerable contention of defendant that the plaintiff has been guilty of such inequitable conduct and of such laches as must bar the equitable relief prayed for.

Few patent cases coming before this Court present a problem like to the present one where suit to establish the patent was delayed for years after knowledge of the defendant's alleged infringement, and the general use of this device by manufacturers of musical instruments, who placed the same upon the market in competition with the owners of the patent, and this plaintiff permitted them to do so and remained silent until vast sums of money had

been expended in plants and millions of dollars worth of these instruments sold; and *now that the demand for these so-called "Flower Horns" has practically ceased since the advent of the hornless machine in 1909*, seeks not only to restrain this defendant from the further use of these horns, but to fill its coffers with tribute-money to which it is not entitled either in law or in equity.

The Nielsen Patent was issued October 4, 1904. Suit in this case was filed July 24, 1913. Defendant asserts with all the earnestness at its command that the owners of the Patent during all these years were practically silent, permitting defendant to expand its business and incur great expenditure, all without interference or any adequate assertion of plaintiff's alleged rights, and that this suit is barred by plaintiff's inexcusable laches.

The testimony of the plaintiff for this purpose will be taken as establishing that the Nielsen patented horn was a "great commercial success" (due wholly to advertising and its attractive appearance, and *not* to any acoustical advantages that it possessed).

Krabbe acquired this invention by assignment dated Feb. 10, 1905, the consideration specified being \$1,764.25. We are not told that this consideration was paid, but Krabbe who bought out Nielsen says that he bought the patent and Nielsen's entire stock of horns and tools and good-will, including the "black bag" that he kept the specimen horn in at

that time (Q. 23, R. 86). This purchase-price evidently included certain machinery, because Krabbe says concerning his visit to Nielsen (R. 94-95) : "He showed me his machinery and how he made the horns."

Before Krabbe bought the patent and business of Nielsen in February, 1905, Nielsen told him (R. 94) that:

"He (Nielsen) had lots of trouble because other people were making his horns, but now he got his patent and he was going to an attorney. He showed me his patent."

Thus it is early apparent that Nielsen, the predecessor of the present plaintiff, was fully aware of any legal rights that he might have under the patent.

Following the purchase of the patent in 1905, Krabbe, a few days later, February 24, 1905, with his co-owner, Wm. H. Locke, Jr., president of the plaintiff Company in the present action, who had in the meanwhile become half owner of the Nielsen patent, assigned the patent to the United States Horn Company for a consideration specified as \$1.00, Krabbe receiving one-half of the stock of the Company and becoming treasurer (Q. 57, R. 98).

On January 4, 1907, the plaintiff, the Searchlight Horn Company, succeeded the United States Horn Company as owner of the Nielsen Patent (R. 100), see assignment on file. In this assignment the fol-

lowing consideration is stated as being given for the Nielsen Patent in suit, and for the Villy Reissue Patent No. 12,442, dated January 30, 1906 (Villy having assigned to the United States Horn Co. Oct. 4, 1905):

“ * * * *five promissory notes* of which one is for One Thousand Dollars (\$1,000) one for Eight Hundred Dollars (\$800) one for Six Hundred Dollars (\$600) and one for Five Hundred Dollars (\$500) and one for Two Hundred and Sixty-six Dollars (\$266) and bearing even date with this assignment, and drawn in favor of said U. S. Horn Co. by said Searchlight Horn Co. all of said notes being payable on demand with interest at per cent, the receipt of all of said notes being hereby acknowledged by the U. S. Horn Co. * * *

“And the said Searchlight Horn Co. for itself, its successors and assigns and legal representatives, hereby promises, covenants and agrees to bear exclusively the entire expense of *instituting and maintaining all suits for past, present and future infringements* of said several Letters Patent or either of thereof, and to pay over to said United States Horn Company, its successors, assigns and legal representatives, without charge or deduction of any kind, one-half of all the gross damages, judgments, license fees and royalties recovered or secured by the Searchlight Horn Co. from past and future infringers or from future licensees immediately upon receipt of such damages, judgments, license fees or royalties.”

Mr. Locke, president of the plaintiff Company, informs us (R. 168) *that none of these notes was ever paid.* That being the case, the present plaintiff

got this very valuable patent *for nothing*; a patent which we are asked to believe the whole world had waited years for in vain, and immediately popularized as soon as it appeared!

When seeking to excuse delay in proceeding against alleged infringers, Krabbe says (R. 104-5):

“After the United States Horn Company was formed that company notified the various infringing manufacturers and requested them to stop their infringement, but *so many concerns were making the infringing horns that they all said that we would have to go to the courts before any particular one would stop making the horn.*

“Q. 82. What was your financial condition during the period when you owned the patent in suit?

“A. I had no cash, my money was tied up in vacant property. For that reason I got Mr. William H. Locke, Jr., interested and we formed the United States Horn Company.

“Q. 83. What was the financial condition of the United States Horn Company during the period it was the owner of the patent in suit?

“A. Mr. Locke contributed some *considerable sum of money which the company needed for the manufacture of its horns.* We quickly used up all the money that we had in making horns and in trying to sell them. We found it impossible, however, to compete against the infringing sale of horns made in enormous quantities by the big horn manufacturers. When we notified these manufacturers to cease infringement they told us to go to court or put us off with one excuse or another. We found that the *expense of litigation against these com-*

panies would be enormous and we were unable to get together the money that would enable us *to commence suit with any fair chance of carrying it through to a conclusion.*"

How absurd for this witness to talk about the expense of a test case as being so "enormous" as not to enable them "to commence suit with any fair chance of carrying it through to a conclusion", particularly when Mr. Locke tells us (R. 149-170-187) that they made and sold from 35,000 to 40,000 or 50,000 Searchlight "parabolic" horns [or *non-Nielsen*], and 3,000 to 4,000 Nielsen horns while they were in business, down to May, 1908 (R. 151). They even brought a suit against a former associate (Senne), which appears to have been compromised.

This is the excuse that Mr. Locke, president of the Searchlight Horn Co., gives for not bringing any suit (R. 149, and following) :

"Neither the United States Horn Company nor the Searchlight Horn Company *had any spare capital other than that was needed immediately for making horns*. Together we made between 35,000 to 40,000 horns. We met with considerable difficulty in disposing of these horns *because of the widespread infringement* carried by so many big companies. We tried to get a footing on the market by introducing a slight modification into the horn, but it was not successful as all of the horns were practically the same, all of them being built along the lines of the Nielsen horn. We were unable to make substantial progress in our business and when the talking-machine companies themselves adopted the flower horn as part of their equip-

ment, such action on their part destroyed the market for independent horns and we were therefore forced out of business. Up to that time we had no *spare money* that would *justify us in going into litigation* with the big companies that were infringing our patent. *We consulted attorneys* and they told us it would cost a great many thousands of dollars to fight a suit through to the finish because the great manufacturing companies were very powerful and would oppose us in every way. We made efforts to get money together for this purpose, but were not successful. We also made efforts to persuade some of these big horn manufacturers to take licenses or to enter into some arrangement by which the horn could be made under the patent. No one company was ready to act in advance of the others and the infringement was too widespread to permit of our succeeding with our negotiations. As a result we were unable to do anything in the way of litigation, except that we did bring a suit against Camillus Senne and Peter E. Peterson, doing business under the name of Nova Phonograph Horn Co. This suit was brought by the United States Horn Company in the United States Circuit Court, Southern District of New York, early in 1905. Associated with Peterson and Senne in the Nova Phonograph Horn business was Andrew Andreasen who had formerly been employed as a salesman by Nielsen. Senne and Peterson were making the same kind of a metal horn that Nielsen and the United States Horn Company were making. *They were making this metal horn before the Nielsen patent issued and declined to stop making the same*, but after the patent had issued they allowed judgment to go against them in the suit that we brought and stopped making the metal horn. Afterwards they made a *horn of paper in accordance with a patent granted to Senne.*"

The general circular issued in November, 1906, by the plaintiff and already referred to (R. 49-50) charging infringement of the Villy Reissue and of the Nielsen Patent in suit, said in part:

“If after the knowledge of these facts you consider it prudent to buy ‘Flower Horns’ other than the ‘Searchlight’ do not hold us blame-worthy if trouble ensues, as we have been obliged to place the patents in the hands of our attorney with instructions to take steps to protect our rights thereunder; and remember, please, that we make the best horn in the market, and sell it at a fair price.

Very truly yours,

SEARCHLIGHT HORN COMPANY”.

(The “Searchlight” horn, of course, was the “Parabolic” illustrated on the letter of Plaintiff reproduced at the back of this Brief.)

Mr. Locke says (R. 152) :

“It was late in 1909, when we realized that we could do nothing by negotiation with the phonograph or talking-machine companies and that it would be necessary to bring suit if we were going to get anything out of our patent. *I interviewed a number of attorneys and endeavored to secure the services of a patent lawyer, but by reason of the fact that the Searchlight Horn Company was largely in debt and was in financial trouble, I was unable for a long time to secure an attorney. I was told in each case that it would take a great deal of money to fight these big talking-machine companies and the Searchlight Horn Company was without means to engage in so expensive a litigation.*”

(May we ask what has become of Mr. Locke's Patent Attorney, Mr. Burnham C. Stickney, referred to by him at R. 148, or their attorney mentioned in their circular letter of Nov. 1906, who had been "instructed" to "take steps to protect" their rights. Litigation could have been no more expensive to plaintiff in 1906-7-8 in its home town than years later on the Pacific Coast.)

Continuing, Mr. Locke says (R. 152-3) :

"In April, 1910, I was introduced to Mr. John H. Miller, an attorney of San Francisco, then in New York, by a mutual friend. He agreed to make a thorough investigation of the matter and if after such investigation he considered the Searchlight Horn Company had a good case he would undertake the suit. Mr. Miller did make an extensive investigation and at various times witnessed actual demonstrations and experiments with various styles of horns. All this took considerable time. Mr. Miller then returned to San Francisco and early in 1911, commenced an action against Sherman Clay & Co. in the United States District Court, Northern District of California, Second Division."

Quaere: (1) Is this a "charity suit"?

(2) Did Mr. Locke fail to tell the truth when he pleaded financial stringency?

(3) Is this a speculative suit?

Ordinarily these matters might be unimportant but they are very important here where the plaintiff, taking advantage of its own “sins of omission and commission”, seeks to extort from this defendant a sum in excess of *half of a million of dollars* by way of alleged damage money.

We verily believe that this is a “speculative suit” pure and simple, and that it is not a “charity suit”.

We have in Messrs. Krabbe's and Locke's statements above, a clear instance of inexcusable inaction with full knowledge of all the facts extending over a period from 1904 to 1911, seven years before bringing *any* suit whatsoever and NINE years before suing *this* defendant.

Thirty-five thousand to forty (or fifty) thousand horns sold in the couple of years from 1906 to 1908 meant a very considerable volume of business. Krabbe says (R. 86) that Nielsen told him he charged \$2.50 or \$3.50 per horn. Merritt and Locke, two other witnesses for the plaintiff, each say that when the talking machine companies put on the Flower Horns they added \$2.50 to \$7.50 to cover the horn (R. 123 and R. 145).

If we assume that \$5.00 a horn is a fair average, 40,000 horns would be \$200,000.00 worth of business. Strange that while the plaintiff was doing this large

volume of business and in the very hey-day of the horn business and with infringements going on on every hand and under the immediate eyes of the plaintiff and in its immediate locality, it waits for two years after it has gone out of business and is supposedly "broke" before it engages counsel to protect its rights. It waits another year before it brings an action at law against a dealer (Sherman, Clay & Co.) remote from the source of all the alleged infringements, and then it waits two years longer until July, 1913, until it brings the present suit against the present defendant in this District, far remote from the home of both the plaintiff and the defendant and their available witnesses.

And this is not the entire indictment against the plaintiff and as indicating the reasons for plaintiff pressing this suit with aggression against this particular defendant, having already abandoned its pursuit of the Sherman Clay Co. (because they are merely distributors here in this territory, on a small scale, of phonographic horns). *The Record shows that the zenith of the horn trade was reached in 1909, or earlier, when the different phonograph companies, the Victor, Edison and Columbia, brought out their "Concealed Horn" type of phonograph.* Mr. Harry T. Leeming, assistant general manager of Thomas A. Edison, Incorporated (R. 199) testifies (D. Q. 8) that the Edison Company brought out

their "Concealed Horns" in 1909, but had been preceded by the other companies (D. Q. 12), and that the proportion of sales of phonographs with "Concealed Horn" construction was at the present time (1913) *ninety-nine* per cent (99%) of the total output (D. Q. 6).

Mr. Albert C. Ireton, sales manager of Thomas A. Edison, Incorporated, testifies (R. 202, D. Q. 4) that practically all of the talking machines made and sold by his company were of the "Concealed Horn" type; that the other companies, including the present defendant, were making and selling the "Concealed Horn" type of machines *for some time previous to 1909* when the Edison Company first put such machines out.

Mr. John Kaiser, a phonograph expert, testifying Sept. 18, 1913 (R. 438, p. 463) stated:

"At the present date the demand of the public is for what is known as the *Hornless* machine. To my knowledge a machine *equipped with a Horn* to-day similar to the outfit sold 4 or 5 years ago is absolutely unsaleable."

Mr. Wm. E. Parker, designing engineer for the American Graphophone Co. (The Columbia Co., appellant), testifying on Oct. 9, 1913 (R. 655, p. 670), stated that:

"The tendency is entirely towards the concealed type of Horn built in the cabinet and not exposed."

Mr. Wm. A. Lawrence, president of the Standard Metal Mfg. Co., manufacturers of metal horns since 1902, testifies to the same effect (R. 630, p. 652), and illustrates the policy of talking machine manufacturers of that date, Sept. 1913, by the issue of the Talking Machine World, September 15, 1913, pages 8, 9 and 43, introduced in evidence and marked "Defendant's Exhibit Illustration and Description of Edison Phonographs, September 15, 1913, Frank C. Demarest, Examiner."

Mr. Locke would have us believe that the plaintiff went out of business in 1908 *because of* ruinous competition in the Flower Horns. He would also attempt to give the idea that because horns known as the "Flower Horns," or horns in the *shape* of a flower, had become popular at that time with all,—therefore the popularity of such flower-shaped horns was evidence of patentability in favor of *Nielsen*; whereas, as a matter of fact, the plaintiff itself manufactured only about 3,000 *Nielsen* Flower Horns but made some 40,000 of the parabolic Bell Horns, a horn in the *shape of a flower*, and sometimes *called* a "Flower Horn", and which Locke claimed was greatly superior to the *Nielsen* Flower Horn; and plaintiff has never claimed that said "parabolic" horn was covered by the *Nielsen* Patent. There are many good reasons, more probable than those given by Mr. Locke, for the suspending of the horn business of the plaintiff in 1908. For example:

1. The old brass horns were always better.

2. The numerous sectional *wooden* Flower-shaped Horns (which were not infringements of Nielsen) were lighter and more graceful and gave better tones than the metal horns; and had a *large vogue* during that period. For extensive litigation on wooden horns, see:

Kaiser v. Bortel, 162 Fed. 902;
 Excelsior v. Scheip, 173 Fed. 312;
 Excelsior v. Scheip, 180 Fed. 980;
 Excelsior v. Bortel, 190 Fed. 10;
 Excelsior v. Bortel, 200 Fed. 1022.

3. Tardy recognition of the fact that the parabolic horn was even poorer than the Nielsen Flower Horn (and other horns on the market), and that if plaintiffs had stuck to the Nielsen Horn they might have made a great success instead of a confessed failure.

4. The advent of the hornless machine.

5. In all probability, poor business management.

While the motive of the plaintiff for its quitting business in 1908 may be more or less conjectural and unimportant; it may likewise be unimportant whether or not during *all* the years of inaction the plaintiff had a valid cause of action against many defendants; but there can be no question as to the motive of *this* suit and particularly against *this* defendant.

The Columbia Graphophone Co., appellant, charges that this suit is a speculative suit pure and simple. This motive has been finally revealed in all its iniquity in a Motion and Affidavit on behalf of the plaintiff *filed after the cause was submitted and de-*

cided in the lower Court and after Appeal was taken and allowed, said Motion being to vacate the Order Suspending and Staying Proceedings on Appeal and to allow the plaintiff-appellee to proceed with the taking of the Accounting notwithstanding the pendency of the Appeal, or in default thereof to increase the amount of the bond to the sum of *half a million dollars* (\$500,000.00)! In support of that Motion, counsel for the plaintiff submitted to the lower Court an affidavit (R. —) in which he said:

“Recently I caused an estimate to be made by competent parties in the East for the purpose of ascertaining approximately the number of infringing horns sold by the Columbia Graphophone Company and which would be subject to the accounting in this case. I have received written advices from these parties in the East who report to me that a careful investigation indicates with a reasonable degree of certainty that *the Columbia Graphophone Company has sold approximately one million one hundred thousand (1,100,000) of such infringing horns and for which they will be liable on the accounting*. While this statement is only an estimate, nevertheless, I am informed that it is based upon reasonably reliable information, and I believe that it is approximately correct. In the Sherman Clay & Company law action, the jury estimated the damages on the basis of fifty cents per horn, and in several licenses which the Searchlight Horn Company has issued since this litigation commenced a royalty of thirty-five cents per horn has been charged and paid. *Upon the accounting herein I shall demand by way of damages fifty cents per horn, so far as the horns themselves are concerned, together with additional items of damages caused by the*

infringement which have not yet been definitely fixed and which I shall shortly endeavor to fix and put in such shape as to present the matter before the Master.

“As regards the profits of the defendant which will have to be accounted for, that I propose to prove by an examination of the books of the defendant. In view of these facts it is apparent that the bond for \$1,000.00, given by the defendant to suspend and stay all further proceedings in this Court until the determination of the appeal from the Interlocutory decree, is wholly and utterly insufficient if its effect is to suspend the accounting. In order to justify the Court in an order suspending the accounting pending this appeal, I claim that a bond in the sum of no less than \$500,000.00 should be required.”

The lower court, seeing through the scheme of the plaintiff, *denied* the motion on the appellant's furnishing a bond in the sum of \$5,000.00 to conform with the bond in the companion Pacific Co. case.

The plaintiff thereupon brought another motion (R. —) in violation of the well-established procedure in this Court, to set aside the supersedeas granted the appellant at the time the appeal was allowed, and to permit the plaintiff to proceed forthwith to an accounting, despite the appeal. The *purpose*, of course (coming as the second motion did, close on the affidavit above), was to endeavor to stampede the defendant into a settlement; in short, to extort a settlement. That second motion also was *denied*.

The situation is thus presented: Your Honors have before you a patent issued in 1904; plaintiff and its predecessors were in the horn business; they admit that they were fully advised as to the value of the patent, and knew of the presence of numerous infringers in the field from the very start. While they claim that they sent out general notices to the trade in 1906 that the Nielsen and VILLY Patents were being infringed by "various manufacturers" (mentioning no names), *there is nothing in the Record* to connect the present defendant with these notices; that the various phonograph companies, including the Columbia Graphophone Company, defendant, began putting out "*Hornless*" machines at least as early as 1909; that the trade in horn-machines today, and for several years last past and for some years before this suit was filed, is, and has been, very much on the wane compared with the Hornless machines; that this suit was brought July 26, 1913, nine years after the patent in suit was issued, and now, today, *plaintiff would use the processes of this Court to compel an Accounting which, according to plaintiff's own figures, would yield it \$550,000 from this defendant alone.* Could anything more iniquitous or ruinous be conceived.

This defendant had been lulled into security and into making investments by reasons of the conduct of the plaintiff in its delay in bringing any test suit to trial. Defendant believed, until this suit was brought, that if plaintiff ever claimed any alleged

cause of action against defendant, such alleged rights were worthless and had been abandoned. The relation of the defendant to the claimed right of plaintiff has been such as to render it inequitable to permit plaintiff now to assert its alleged rights. A leading case on this subject of Laches and Estoppel is

Princes Metallic Paint Co. vs. Prince Mfg. Co., 57 Fed. 938, C. C. A. 3rd Circuit,

the Court saying, at page 944:

"In courts of equity the rule is to withhold relief where there has been unreasonable delay in prosecuting a claim, or long acquiescence in the assertion of adverse rights. Creath's Adm'r. v. Sims, 5 How. 192; Godden v. Kimmell, 99 U. S. 201; Lansdale v. Smith, 106 U. S. 391, 1 Sup. Ct. Rep. 350. Again and again has it been judicially declared that nothing can call into activity a court of equity but 'conscience, good faith and reasonable diligence'. McKnight v. Taylor, 1 How. 161; Sullivan v. Railroad Co., 94 U. S. 806, 812. In McLaughlin v. Railway Co., 21 Fed. Rep. 574, Judge Brewer held a bill for the infringement of a patent alleging the unauthorized use and construction of a patented invention for 13 years, without stating an excuse for the plaintiff's delay in suing, to be demurrable. Laches for even less than the statutory period of limitations, aided by other circumstances, will bar a right. Ashhurst's Appeal, 60 Pa. St. 290, per Strong, J. In Lewis v. Chapman, 3 Beav. 133, the master of the rolls refused an injunction to restrain the infringement of a copyright solely on the ground of six and a half years' delay, where there was knowledge of the commencement and prosecu-

tion of the defendant's publication. Long acquiescence before filing a bill for an injunction, with full knowledge of the infringement, is deemed laches equivalent to a breach of good faith. Browne, Trade-Marks, Sec. 497. Hence, in Manufacturing Co. v. Garner, 55 Barb. 151, a delay of nine years in applying for an injunction to restrain infringement of a trade-mark was held to be good cause for refusing it.

"Having regard to the whole case, viewed from every standpoint, our conclusion is that the plaintiff has not shown itself to be entitled to the interposition of a court of equity, and accordingly the decree of dismissal is affirmed."

While that was a *Trade Mark* case, yet it has been frequently cited with approval on the subject in patent cases where the defense of Laches is raised.

In Lane & Bodsley Co. vs. Locke, a patent case, 150 U. S. 193, 37 L. Ed. 1049, Mr. Justice Shiras in commenting on the evidence in that case, quoted from the testimony of the patentee as follows:

" 'I did not regard it as either right or prudent to have other than amicable relations with them so long as they had not actually refused to comply with the agreement of April, 1875. I did not write to them so as to bring up the issue, as I had neither the time nor the means at my command to enforce any rights in case of the refusal to comply with their agreement at that time.' * * *

"Courts of equity, it has often been said, will not assist one who has slept upon his rights, and shows no excuse for his laches in asserting them. The plaintiff's excuse, in this instance, that he preferred, for "prudential reasons" to forego bringing suit, was no excuse.

As far as the record in the case at bar shows, the relations between the plaintiff and defendant during all the years and up to the bringing of the suit were "amicable", and there is nothing to show any refusal at any time by this defendant to deal other than fairly by the plaintiff.

See also:

Brown & Sharp Mfg. Co. vs. Coats Clipper Co., 195 Fed. 84, 87 (affirmed 200 Fed. 149)—

where it was held that the laches of the plaintiff was a bar to any relief under the Bill, upon the showing that many years before suit was brought the defendant had commenced to put upon the market clippers like unto the patent, and since that time these clippers had been openly sold by the defendant and by the trade, and had been shown by cuts and described in catalogues and circulars distributed to the trade.

In a case which almost reads on the one at bar, the Court said:

**** * * at the same time there was a general use of this device by manufacturers of musical instruments, who placed the same upon the market in competition with the owners of the patent, and this complainant permitted them to do so, and remained silent until vast sums of money were expended in plants, and many million dollars' worth of these instruments were sold, and now, within four years of the expiration of this patent, it is sought to restrain this defendant from its use. It is true that mere delay in bringing suit for an infringement of a patent*

will not prevent the owner thereof from obtaining relief in a court of equity when the infringement has been persisted in with knowledge of the existence of the patent, and no acts of commission or omission on the part of the patentee to encourage its use; yet where the complainant itself has infringed the patent prior to acquiring ownership therein, and for 12 years the general public used it in competition with the owners, who failed to mark the device as required by law, or to give notice of the patent, thereby permitting and encouraging the investment of vast sums of money and the sale of many millions dollars' worth of instrument, it seems to me that it would be inequitable to restrain the use of this device at this late day. Saxlehner v. Eisner, 179 U. S. 19, 21 Sup. Ct. 7, 45 L. Ed. 60; McLaughlin v. Railway Co. (C. C.) 21 Fed. 574; Woodmansee & Hewitt v. Williams, 68 Fed. 489, 15 C. C. A. 520; Meyrowitz v. Eccleston (C. C.) 98 Fed. 437; Edison E. L. Co. v. Ass. Soc. (C. C.) 55 Fed. 478; Sarrett v. Athol Co. (C. C.) 96 Fed. 244."

Wilcox & White Co. vs. Farrand Organ Co.,
139 Fed. 46, 48.

It is essential for this Court to keep clearly before it the fact that the Villy Patent of 1903 was issued considerably prior to the Nielsen Patent, and afforded to the various alleged infringers of the Nielsen Patent (in 1906 and earlier) a reasonable justification for their assumption that the Nielsen Patent is *invalid*, —this opinion being still further strengthened by the Reissuing of the VILLY Patent with its broad Claims 8 and 11. The failure of the plaintiff to even bring suit on the Nielsen Patent is strong evidence

that plaintiff concurred in that view. Certainly the plaintiff did not show itself to be "prompt, eager and ready" in the enforcement of its rights.

"The acquiescence of the former owners of the patent has in equity the same effect upon complainant's rights as its own subsequent neglect."

Woodmanse & Hewitt Mfg. Co. vs. Williams,
68 Fed. 489.

This latter case, decided by TAFT, LURTON and HAMMOND, J. J. (Sixth C. C. A.) is illuminating on this subject. To quote from that case:

"Now, if it be conceded that the patents owned by complainant were not anticipated by either the Bignell patent or any of the others claimed as anticipations, a point by no means clear, and that the brake made and sold with the defendants' mills does infringe both or either of the complainant's patents, we then have a case where suit has been delayed against an infringer openly and publicly engaged in selling a rival and competitive mill to that made and sold by complainant and its assignors for a period of 14 years after issuance of the Anderson patent, and of about 11 years after the Woodmanse and Lebkicker improvement. * * *

"Since 1876 Woodmanse has been engaged in the same kind of business, and has been interested in the successive firms and corporations controlling both the Anderson and Woodmanse patents. The complainant does not pretend that it or its predecessors were ignorant of the alleged infringement. No such excuse is offered. Indeed it is not within the range of probability that two rival concerns engaged in selling competitive windmills in the same section of the Union could have been ignorant of the fact that

the mills of each contained substantially the same brake mechanism. Neither does it appear that the complainant was involved in other litigation with other infringers, which might to some extent explain its conduct in standing by and acquiescing in the alleged infringement

* * *.

"In the meantime the defendants and their predecessors in the business, under claim of right, have been suffered to go on and build up their business and push their mills into common use without any notice whatever from complainant or its assigns of a claim that they were infringing. It is no answer to say that the complainant corporation was only organized a few years before suit was brought. Its predecessors in the ownership of the patent were also its predecessors in the business it is now carrying on in the making and selling of windmills embodying the brake covered by its patents. The complainant took these patents by assignment from assignors who had for years been guilty of negligence in the assertion of their alleged monopoly. *The acquiescence of the former owners of the patent has in equity the same effect upon complainant's rights as its own subsequent neglect.* Rob. Pat. Sec. 1194; Spring v. Sewing Mach. Co., 4 Ban. & A. 427, Fed. Cas. No. 13258. In McClurg v. Kingsland, 1 How. 205, the plaintiff was the assignee of Harley, the patentee. * * *

"The ground upon which a court of equity will take cognizance of a suit for an infringement of a patent is the relief through an injunction. *There is nothing so peculiar to a suit for damages and profits for infringement of a patent as will, independently of some recognized ground of equitable jurisdiction, justify a court of chancery in assuming jurisdiction.* It must appear that the legal remedy at law is inade-

quate, and if the case is one in which the equitable relief by injunction is inappropriate, as where the patent has expired, or where the circumstances are such as to justify a court in refusing equitable relief, the suit will not be entertained for the mere purpose of an account of past damages and profits. *Root v. Railway Co.*, 105 U. S. 189; *McLaughlin v. Railway Co.*, 21 Fed. 574; *Clark v. Wooster*, 119 U. S. 325, 7 Sup. Ct. 217. * * *

“Reasonable diligence as well as good faith are necessary to call into operation the powers of a court of equity. *Maxwell v. Kennedy*, 8 How. 222. One who invokes the protection of equity must be ‘prompt, eager, and ready’, in the enforcement of his rights. It was well observed by Judge Coxe, in *Kittle v. Hall*, 29 Fed. 511, that ‘time passes, memory fails, witnesses die, proof is lost, and the rights of individuals and of the public interfere. Long acquiescence and laches can only be excused by proof showing excusable ignorance, or positive inability to proceed on the part of the complainant, or that he is the victim of fraud or concealment on the part of others’. He adds ‘that the court will not entertain a case when it appears that the complainant, or those to whose rights he has succeeded, have acquiesced for a long term of years in the infringement of the exclusive right conferred by the patent, or have delayed, without legal excuse, the prosecution of those who have openly violated it’. These general principles find ample support in many cases, only a few of which need be cited: *Piatt v. Vattier*, 9 Pet. 416; *Maxwell v. Kennedy*, 8 How. 221, 222; *Leggett v. Oil Co.*, 149 U. S. 288-294, 13 Sup. Ct. 902; *McLaughlin v. Railway Co.*, 21 Fed. 574; *Speidell v. Henrici*, 15 Fed. 753; *The Walter M. Fleming*, 9 Fed. 474; *Lewis v. Chapman*, 3 Beav. 133. That this doctrine of courts of

equity requiring reasonable diligence as a condition precedent to the exercise of its discretionary powers is applicable in patent cases is manifest from a consideration of the nature of the relief sought against an infringer. *Equity will not entertain a suit merely involving an ascertainment of damages and profits.* This question was elaborately considered and expressly decided in *Root v. Railway Co.*, heretofore cited. Equitable jurisdiction in patent cases is therefore subject to the general principles of equity jurisprudence, and the power to grant injunctions in such cases, according to the provisions of section 4921, Rev. St. must be 'according to the course and principles of courts of equity, to prevent the violations of any rights secured by a patent, upon such terms as the court may deem reasonable.' That inexcusable laches of the complainant is a sound reason for non-interference on the part of a court of equity was expressly decided in *McLaughlin v. Railway Co.*, heretofore cited; the opinion being by Circuit Judge Brewer, now Justice Brewer. In that case a delay of 13 years was held ground for dismissing the bill upon a demurrer. In *Lane & Bodley Co. v. Locke*, 150 U. S. 193, 14 Sup. Ct. 78, the Supreme Court held that a delay of 12 years was a bar to any relief in equity against an infringer. Justice Shiras, who delivered the opinion of the court, saying:

" 'Courts of equity, it has often been said, will not assist one who has slept on his rights, and shows no excuse for his laches in asserting them.'

"Neither is it important that the defense of laches was not formally set up in the answer. Laches is a defense which may be made by demurrer, or by answer, or presented by argument, either upon a preliminary or final hearing. *Maxwell v. Kennedy*, 8 How. 222, Walk.

Pat. Sec. 597; Curt. Pat. Sec. 440; McLaughlin v. Railway Co., 21 Fed. 574."

In applying the above to the case at bar read "Villy Patent" and "French Patent to Turpin" in place of Bignell.

While the delay in the case at bar was 9 years (instead of 11 years, as in the Woodmanse case), it was under even more aggravated circumstances as has been pointed out.

Then, again, in a recent case of Hall vs. Frank, 195 Fed. 946-952, Judge Chatfield remarked:

"Some attempt was made to show that the complainant had warned the defendants and that he (the complainant) had been prevented from bringing suit by the actions of a part owner or partner in his patent.

"This defense of laches would seem to be of itself sufficient, as no valid excuse has been presented by the complainant to justify his *delay from 1900 to 1909* before bringing action. The statement that his partner was unwilling to bring suit, and that he did not succeed in buying out this partner until just before the action was started, may be an exact statement of what occurred; but the court could not allow the patentee to sleep on his rights for nine years, in the face of a large commercial use of the alleged infringement, in a case where considerable doubt appears both as to the validity of the patent and as to the fact of infringement, and then accept, as an excuse for this delay, the statement that one of the owners of the patent had been ready to acquiesce in the alleged infringing use during the entire period, and that the

other, who finally brings suit, had not been able to buy him out. This may be the actual reason why suit was not brought earlier, but it does not remove the responsibilities for not bringing the suit, if any have been incurred."

The following from A. R. Mosler & Co. vs. Lurie, 200 Fed. 437-439, is apt:

"Then comes along an ex-infringer (on its own theory), who has bought the rights under this and another patent, and *asks a court of equity to fill its treasury with license fees and damage money*. It is no excuse that complainant obtained its title only in 1909. Its claim is affected by the laches and the want of equity of its assignors.

"The defense of laches is not tested by time alone. Lapse of time may be well explained, but, on the other hand, even a comparatively short time may constitute laches when the *conduct of the slothful is such as to induce others, in good faith, to expend money and take the risks of enterprise*.

"I think this defendant, and the manufacturers of the goods in question, have acted in good faith, in the belief that the patent was of no, or, in any event, doubtful, validity, and they were justified in that belief by the inertia of the assignees of this patent, which non-action was strongly suggestive of lack of confidence in the validity of the patent.

"The court would go a long distance to protect the inventor, who is ahead of his times, and who, unable to interest capital, finds that some one has stolen the fruits of his genius. But that is not this case. This case falls rather within the principles stated by Judge Coxe in Richardson v. Osborne (C. C.) 82 Fed. 95, affirmed 93 Fed. 828, 36 C. C. A. 610."

As said above: "The defense of laches is not tested by time alone."

The foregoing was quoted with approval by Judge Killitts in

General Elec. Co. vs. Yost Co., 208 Fed. 719, 723.

See also Kittle vs. Hall, 29 Fed. 511:

To quote from one more case:

Richardson vs. Osborne Co., 93 Fed. 828, C. C. A. 2nd Circuit,

where Judge Shipman said, in denying relief to a patent owner who witnessed the extensive and increasing manufacture and sale of an alleged infringing machine without taking any effective steps to enforce his rights, although he was in the same line of business as defendant, and notices charging infringement were sent to manufacturers, including the defendant therein, and although a suit was started against one alleged infringer, the outcome of which was as vague and shadowy as that of the suit by the Searchlight Horn Co. vs. Nova Phonograph Co. (Senne) (R. 150) at page 829:

"The particular business of the complainant was the introduction of farm machines into active work upon the farm, and *he must have been perfectly familiar with the mechanism and the extent of the use of the Appleby binder*. He regarded the *infringement as a palpable one*, and, as the *use was universal, he thought that*

*practically all the binders and harvesters made in the country between 1879 and 1893 infringed the Flower patent. * * **

"The defendants say that the owners of the patent were practically silent, permitted this expenditure to go on without interference or any adequate assertion of their alleged rights, and that the suit was barred by their inexcusable laches.

"The record shows that nothing was done in the way of litigation, or active attempts to push either the patent or their claims, until May, 1890. * * * They (the plaintiff and his associates) were not poor and were not rich, but not only discouraged any litigation, but refused to participate in the expenses of an investigation as to the validity of the patent. Meantime, no efficient or active representations were made to the harvester companies of their infringement. *The complainant says that he sent notices to the manufacturers, and, among others, to the defendant corporation, in the latter part of 1883, and met the president in Lake City by appointment in January, 1884.* He says: 'We had some conversation. He asked what our claim was. He was told that it was the combination. We talked together perhaps fifteen minutes, pleasantly.' This was the extent of the manifestation to the defendant of the complainant's claim of right to a part of the Appleby machine, which was *being made by the thousands*. In May, 1890, *an action at law was brought against the Minneapolis Harvester Works, which was compromised before trial*, in September, 1891, by the payment of money and a release by the complainant. He did not tell how much money was paid, or whether it was in recognition of the validity of the patent. *For aught that appears, all that the defendant did was to pay a trifling sum to be freed from*

a lawsuit. No other proceeding was instituted until the present suit. The only thing which can be, during the entire history of the invention, characterized as an active exercise of ownership was the Minneapolis suit, and its *outcome is so vague and shadowy*, that it cannot be told whether it was a successful or an abandoned attempt to sustain the patent. The continued refusal or neglect of the joint owners to impart life to it was so manifest that *a court cannot look with favor upon the present attempt to gain money from manufacturers who invested in the effort to supply the demand for Appleby machines, under the belief that it infringed no patent,—a belief which the conduct of the owners of the Fowler patent encouraged.* All the adjudged cases in regard to laches proceed upon the inequitable conduct of the complainant, and the inequity which would result if the stale claim was permitted to be enforced, and the judgments adverse to the claimant are founded upon the fact that the party to whom laches is imputed has all the time *'knowledge of his rights, and an ample opportunity to establish them in the proper forum; that, by reason of his delay, the adverse party has good reason to believe that the alleged rights are worthless or have been abandoned; and that, because of the change in condition or relations during this period of delay, it would be an injustice to the latter to permit him to now assert them.'* A further reference to decided cases is unnecessary, as Judge Coxe has cited many of them in his opinion. (82 Fed. 95)."

Other cases relating to laches as a bar to accounting or other final relief in patent infringement suits are the following:

Imperial Chemical Manufacturing Co. vs.
Stein, 69 Fed. 616;

Richardson vs. Osborne Co., 82 Fed. 95;
Starrett vs. J. Stevens A. & T. Co., 96 Fed. 244;
Meyrowitz Mfg. Co. vs. Eccleston et al., 98 Fed. 437;
Westinghouse Air Brake Co. vs. New York Air Brake Co., 111 Fed. 741;
National Cash Register Co. vs. Union Computing Machine Co., 143 Fed. 342;
Germer Stove Co. vs. Twentieth Century Heating & Ventilating Co., 157 Fed. 842;
Safety Car H. & L. Co. vs. Consolidated Car Heating Co., 160 Fed. 476;
Safety Car H. & L. Co. vs. Consolidated Car Heating Co., 174 Fed. 658;
Fitchtel et al. vs. Barthel, 173 Fed. 489;
Browne & Sharp Mfg. Co. vs. Coates Clipper Mfg. Co., 195 Fed. 84.

THE ACCOUNTING IS UNDENIABLY THE CHIEF OBJECTIVE OF THE PRESENT SUIT.

In a most liberal view of the case the plaintiff herein would be entitled only to an injunction against future infringement, but its accounting must be limited to the time subsequent to the commencement of this suit.

Judge Sanborn, speaking for the Circuit Court of Appeals for the 8th Circuit, in

Layton Pure Food Co. vs. Church & Dwight Co., 182 Fed. 35,

which was a trade mark case, very well expressed the rule:

“The complainant’s delay to commence suit for more than *eight years after its knowledge of the infringement*, the frank claim of the predecessor of the defendant in 1898, a claim not at that time clearly baseless, that they had the like right to use the picture of the cow on baking powder that the complainant had on baking soda, the continued use of the picture by that partnership after they received notice in 1900 of the Russ decision, the subsequent succession of the defendant corporation in 1901, the latter’s continuous use of this picture and *its sales of millions of packages of baking powder* under it between that time and the filing of the bill in this suit in 1907, *without further objection or any attempt by the complainant to enforce its rights*, constitute circumstances so extraordinary, *show such an acquiescence by the complainant in the defendant’s use of the trade-mark as was well calculated to lull it into security and render it inequitable to require of the defendant now an accounting for its sales prior to the date of the filing of the bill*. The decree will be modified accordingly so as to limit the accounting to the time subsequent to the filing of the bill when the defendant had full knowledge of the rights of the complainant and of its purpose to enforce them. When a court of equity finds that *during the delay of one of the parties their position has so changed in reliance thereon that*

the equitable relief which that party seeks cannot be granted without doing injustice, it will not exert its powers to save him from the consequences of his own neglect. *McLean v. Fleming*, 96 U. S. 245, 257, 258, 24 L. Ed. 828; *Menendez v. Holt*, 128 U. S. 514, 523, 524, 9 Sup. Ct. 143, 32 L. Ed. 526; *Edward & John Burke v. Bishop (C. C.)*, 175 Fed. 167, 175; *Wolf Bros. & Co. v. Hamilton Brown Shoe Co.*, 91 C. C. A. 363, 368, 165 Fed. 413, 418; *Manhattan Medicine Co. v. Wood*, 16 Fed. Cas. 605, No. 9,026; *Cahn v. Gottschalk (Com. Pl.)* 2 N. Y. Supp. 13, 18; *Low v. Fels*, 35 Fed. 361, 362; *N. K. Fairbanks Co. v. Luckel, King & Cake Soap Co.*, 116 Fed. 332, 54 C. C. A. 204; *Worcester Brewing Corp. v. Rueter & Co.*, 157 Fed. 217, 84 C. C. A. 665."

The foregoing case was cited with approval in a recent case:

Closz & Howard Mfg. Co. vs. J. I. Case Threshing Mch. Co., 216 Fed. 937:

"It is very evident that one of two things is true: The *plaintiff either thought that the Martien improvement was of no value*, and its failure to mark the sieves with the date of the patent would indicate this, *or there was a deliberate purpose on the part of the plaintiff to allow the defendant to continue the manufacture of these sieves in great quantities in ignorance of the plaintiff's claim, and then, after a large amount of damages and profits had accumulated, to bring suit therefor*. The statement of Closz, as an excuse for his delay, that he knew that the Case Company was responsible, and the fact that when the plaintiff did give notice the six-year statute of limitations upon its claim for damages was within two

months of expiring, would indicate the truth of the latter hypothesis. Under the circumstances of this case, the plaintiff is clearly not entitled to an accounting for profits or damages prior to April 28, 1909. Layton Pure Food Co. v. Church & Dwight Co., 182 Fed. 35, 104 C. C. A. 475, 32 L. R. A. (N. S.) 274. (8th Circuit.)”

In Mosler & Co. vs. Lurie, *supra*, on appeal, reported in 209 Fed. 364, Judge Lacombe for the Second Circuit, C. C. A., said:

“Infringement began in 1901 and was continuous thereafter by various manufacturers. One company sold 50,000 of one type between 1901 and 1904, and, though no specific figures are given of sales of other infringing types, there is evidence that such were sold in large quantities on the open market and were well known to the automobile trade. * * * There have been cases where all relief has been refused to patent owners who were negligent about enforcing their rights for a long period of time. Richardson v. Osborne (C. C.) 82 Fed. 95, affirmed by this court 93 Fed. 826, 36 C. C. A. 610. These cases have been such as presented ‘unusual conditions or extraordinary circumstances’; usually with knowledge of infringement the owner of the patent has stood by and, without objection or warning, has allowed the infringer to invest his money in a plant for manufacturing infringing devices. * * * The infringement was not an act done in a corner; * * *

“Where owners have remained thus supine for many years, shutting their eyes to what was going on in the art to which the patent belonged, and thus leading defendants and others to suppose that they intended to make no claim that their patent dominated a portion of that

art, it seems to us inequitable that they should come at this late day and insist on being granted an accounting for damages and profits during their long period of inaction.

“The decree is reversed, with half costs of this appeal, and cause is remanded, with instructions to decree in favor of complainant on the first claim, with *an injunction, but without any accounting for profits or damages*, and one-half costs to complainants.”

Another interesting case, showing that the plaintiff at bar is precluded in any event from recovering damages, is Owen vs. Ladd, 76 Fed. 992, where Judge Townsend said:

“The complainant, in October, 1883, charged Barnes with infringement. Barnes stated that he had obtained a patent, and that his counsel advised him that his bell did not infringe, and he and his successors continued to manufacture and sell said bells. Complainant admits that the *foregoing statements discouraged* him, and that he never made any further claim under his patent until 1894, at which time said Barnes was dead, the original factory had burned down, and this defendant had succeeded to the business. No excuse has been shown for this long delay. Even if defendant were an infringer, complainant’s laches would preclude him from recovering damages.”

“The complainant has deliberately chosen not to warn an unconscious infringer, whom he has watched infringing year after year, no doubt hoping thereby to increase the amount of profits ultimately recoverable. This is sharp practice
 * * * ”

Hohorst vs. Hamburg-American Co., 91 Fed. 655-657 C. C. A., Second Circ.

The substance of all these cases is that:

A PATENTEE MAY NOT USE HIS GRANT AS A TRAP
TO CATCH GAME.

CONCLUSION.

I

On the question of Validity and Infringement:

(1) The prior litigation on the Nielsen Patent does not in any way render the matter *res judicata* nor *stare decisis* as to this defendant-appellant.

(2) An entirely different record is before the Court now than in the Sherman & Clay case.

(3) The record in this case shows phonograph-horns in the prior art (particularly Villy and Turpin), which were larger at one end than the other and tapered in the usual manner, said horns being composed of longitudinally-arranged strips secured together at their edges, and the outer side thereof at the points where said strips are secured together being provided with longitudinal ribs.

(4) The Villy Patented Horn manufactured and offered to the trade by the *plaintiff* was made of metal.

(5) The Villy metal horn was asserted by the plaintiff itself to be "equal to a lap-seamed horn" in its "amplifying and tone qualities" (R. 184) and

Mr. Locke, president of the plaintiff company, says of the metal Villy Horn (R. 186) :

“I never could see any material difference in the reproduction with the *folding Horn* or with the *regular Flower Horn*.”

(6) Except possibly as to the demand for *enhanced artistic effect*, there was no *want* which the Nielsen Horn filled; in short, the “wants” as far as they affected *tone* (result) or *construction* (means) remained the same after as before the advent of Nielsen:

(A) Villy, in 1903, had already given us the Flower Horn; so if Nielsen has a broad Claim for Flower Horns, he is anticipated by Villy.

(B) All the advantages of a metal sectional—and—ribbed Flower Horn now brought forward and claimed for *Nielsen*, were during all the years that plaintiff was in business claimed and emphasized for *Villy* metal, sectional Flower Horns.

(C) The *sum total* of the idea of means claimed for Nielsen, by way of novelty, is embodied in Claim 8 of the Villy Reissue.

(D) The construction or “idea of means” of a *sectional* tapered phonograph-horn with “*longitudinal ribs*” on the outside, can be and is found in the prior patent to Turpin.

(E) The Metal Workers’ Pattern Book shows that there was no problem of construction for Nielsen to solve.

(F) The claim of novelty of result (tonal advantages) on behalf of Nielsen is conclusively rebutted by the testimony of Locke, XQ. 108 and 110; Hunter, Hawthorne, Qs. 43, 48, 49 and 50 and X.Q. 352 and X. Q. 412; Kaiser, Qs. 38 and 82; Senne Qs. 61 and 61; Muller Qs. 13 and 14, and Stewart R. D. Q. 197, 208 and 209.

(G) Nielsen's only real problem, if we can call it a problem, was to make in one piece what Villy had made in several pieces and united, so as to be foldable. Putting it in another way, the Nielsen problem was how to make a *collapsible conduit rigid*.

(7) That there is nothing before this Court by way of a *single word of evidence* to show the construction of Defendant's Horns. There is a horn of defendant's in evidence, but no word of explanation concerning its construction, or its acoustical advantages or disadvantages, and the burden has been thrown on the Court to figure out infringement after its own fashion. Infringement is never presumed.

(8) *Furthermore, the neglect to bring suit during a long period of years when this defendant was one of the largest dealers in phonograph-horns located near the plaintiff, is evidence that plaintiff regarded infringement as doubtful.*

“In this connection it may be added that the complainant for a long time seems to have considered his patent as limited to a ‘closed loop.’

It appears from the testimony that for five years he knew that the defendant corporation was manufacturing and selling a similar device, except that it used an unclosed or partial loop; yet he neither brought suit to establish such infringement, until about a year before his patent expired, when this suit was instituted, nor did he in any other manner claim that the defendant was infringing his rights. It would seem, therefore, as if his conduct was susceptible of but one construction: that he did not consider defendant's device an infringement upon his. The principle adopted in Westinghouse Elec. & Mfg. Co. v. Wagner Elec. Mfg. Co., (C. C.) 129 Fed. 604, should therefore be adopted, and the complainant's claim of infringement be deemed an afterthought, and he himself estopped from asserting it."

M'Gill vs. Whitehead Co., 137 Fed. 97, 99.

The Court can see for itself that the defendant's horns are not of the "butt-seam" construction with "outwardly directed flanges" as shown and described in the Nielsen patent, and claimed in Claim 1 of Nielsen (Claim 1 not being sued on).

See also:

Westinghouse vs. Sutter, 194 Fed. 888;

General Elec. Co. vs. Yost, 208 Fed. 719.

Affirmed 213 Fed. 1021.

This Court may not shut its eyes to the fact that the plaintiff, in the view most favorable to it, has acted on an "afterthought."

(9) * * * It appears that very early in the life of the Nielsen patent, and at least as early as 1906.

there was an almost universal denial on the part of the horn manufacturers of validity of the Nielsen patent, and it was the consensus of opinion that the claim of Nielsen to anything but a seam patented horn, or one in which there were "outwardly directed flanges" soldered together, as shown in Fig. 3 of the Nielsen patent, was untenable presumably on the existing state of the art, including Villy. It requires no stretch of the imagination to see the doctrine expressed by the Circuit Court of Appeals for the 2nd Circuit in the recent case of

Victor Talking Machine Co. vs. Thomas Edison Incorporation, 229 Fed. 999,

applied to the Nielsen patent in the light of Villy. In that case Judges Lacombe, Ward and Rogers approved the following language by Judge Hand in the lower Court:

"They, (defendants) with the rest of the world, were the beneficiaries of that disclosure (the prior art). While the floating sound box was somewhat crudely devised by Berliner (read 'Turpin' & 'Villy'), the pregnant idea became public, and I cannot see how the defendant has borrowed any thing from the plaintiff, except the semi-circular twist in its tube. However, amid the wilderness of words I have tried to find and tread a path of logic, though the simpler way might have been to rest the case upon broader lines.

"The bill is dismissed, with costs."

II

The Defense of Laches and Estoppel.

The patent in suit issued October 4, 1906, and the present Bill was filed July 24, 1913. Nine years of inaction against this defendant, and seven years of inaction against any of the "multitude of infringers" that plaintiff claims were operating in defiance of its patent. Years of inexcusable delay.

Defendant urges that the long acquiescence and laches of plaintiff "can only be excused by proof showing 'excusable ignorance' or 'positive inability to proceed on the part of the complainant' or that 'he was the victim of fraud or concealment on the part of others.'" (Kittle vs. Hall, 29 Fed. 511); considerations which are strikingly missing from the present case.

At the risk of repetition we may briefly summarize some of the more striking points of similarity of plaintiff-appellee's conduct with the conduct of plaintiffs in other cases who have been denied equitable relief under parallel circumstances:

(1) The Searchlight Company and its predecessors induced others, including the present defendant, in good faith to expend money and take the risks of enterprise, and the plaintiff now has the temerity to ask a Court of Equity to fill its treasury with license fees and damage money. (Mosler vs. Lurie, 200 Fed. 437.)

(2) Plaintiff has not shown "conscience, good faith and reasonable diligence." Prince's Co. vs. Prince Co., 57 Fed. 938.

(3) Plaintiff "while not rich was not poor." (Richardson vs. Osborne, 93 Fed. 828.) It is a corporation. The alleged invention was not the product of plaintiff's skill and industry. The Patent cost them nothing (Locke, R. 168, X. Q. 37). It did a big business during the years of the greatest popularity of the Flower-horn trade, probably at the time when most of the alleged infringements occurred. They were fully advised at all times of their legal rights. (See Krabbe and Locke.)

(4) The present case is an attempt to gain money from this Defendant-Appellant who invested in the effort to supply the demand for devices, under the belief that they infringed no patent, a belief which the conduct of the owners of the Nielsen Patent encouraged. (Richardson vs. Osborne, 93 Fed. 828.)

"The plaintiff either thought that the (Nielsen) improvement was of no value * * * or there was a deliberate purpose on the part of the plaintiff to allow the defendant to continue manufacture (sale) of these (horns) in great quantities in ignorance of the plaintiff's claims, and then after a large amount of damages and profits had accumulated to bring suit therefore."

Closz Co. vs. Case Co., 216 Fed. 937.

(5) The circumstances of this case "show such an acquiescence by the complainant in the defend-

ant's use (of the alleged infringing horns) as was well calculated to lull it into security and render it inequitable to require of the defendant now an accounting for its sales prior to the date of the filing of the Bill."

Layton Pure Food Co. vs. Church & Dwight Co., 182 Fed. 40.

(6) The plaintiff and its predecessors were at all times manufacturers of phonograph Horns.

(7) The defendant was never a manufacturer of phonograph horns.

(8) The defendant was in the open market to buy phonograph horns but it is not shown, nor is it probable that the plaintiff ever sought their trade, nor is it shown, but it is highly probable that if the plaintiff had desired defendant's trade they could have gotten it, provided the defendant had need or use for horns of the Nielsen type.

(9) Whatever defendant did, it did openly. It is impossible to believe that plaintiff and its predecessors were unaware of the existence of the defendant, or of what the defendant was doing. Defendant is one of the three largest phonograph companies in the world, and it must certainly have been known to plaintiff and plaintiff must have known exactly what kind of horns defendant was purchasing from the horn manufacturers and supplying with its machines.

(10) As far as plaintiff's relations to this defendant are disclosed, plaintiff remained silent for a period of nine years, during which time defendant in good faith expanded its business and did many millions of dollars worth of business in phonograph machines and phonograph horns.

(11) *A universal disregard of a patent without any active steps being taken by the patentee to establish its validity is strong evidence of invalidity.*

This is the opposite of "public acquiescence," which often goes so far to prove validity.

"Acquiescence * * * is a voluntary submission, against interest, to an asserted right. * * * The issuance of a patent is not in itself such an assertion. * * * There is no acquiescence where the monopoly of a patent is constantly invaded. * * * the general resistance of the public to the patentee's demands, though provoking numerous actions in which he is successful is inconsistent with the idea that they regard his patent as valid."

3 Robinson, Section 1185.

Invalidity is the more to be presumed when public ignorance or invasion of the patent is coupled with supineness of the patent owners in shutting their eyes to what is going on in the art to which the patent belonged and thus leading defendants and others to suppose they intended to make no claim.

See also:

Richardson vs. Osborne Co., *supra*;

Closz Co. vs. Case Co., *supra*.

(12) Not only do we think the horn manufacturers of those early days were justified in their opinion that the Nielsen patent was void, but it was the duty of the plaintiff to assert their rights primarily, and not by its failure to act, lead or encourage this defendant to change its position from what it might have been if a different course had been pursued by the plaintiff; a change of position in which the plaintiff expects to profit in the amount of hundreds of thousands of dollars by way of tribute.

“‘Parties must take the consequences of the position they assume. They are estopped to deny the reality of the state of things which they have made appear to exist, and upon which others have been led to rely.’ Swayne, J., *Casey v. Galli*, 94 U. S. 673, 680, 24 L. Ed. 168.

“‘It is, accordingly, established doctrine that whenever an act is done or statement made by a party, which cannot be contradicted without fraud on his part and injury to others, whose conduct has been influenced by the act or admission, the character of an estoppel will attach to what otherwise would be mere matter of evidence.’ Davis, J. *Dair v. United States*, 16 Wall. 1, 4, 21 L. Ed. 491.”

United Printing Machinery Co. v. Cross
Paper Feeder Co., 227 Fed. 600, C. C. A.
1st Circuit.

(13) That the zenith of the horn business was reached as early as 1909, or prior thereto, at which time the “hornless” machine made its advent and *about four years before this suit was brought*; that

the horn business, and particularly the business in Flower Horns, had been so much on the wane at the time this suit was brought that the big Companies were doing *scarcely 1% of their total business in horn machines; 99% being of the concealed or hornless construction* (R. 199).

(14) It was all the more the duty of the plaintiff to assert its rights, if it had any under the Nielsen patent, when infringements were most rife and at the time when the plaintiff's silence and supineness were encouraging this defendant to fall in with the popular demand for such styles of horns as were selling then, whereas, by proper procedure on the part of plaintiff, the defendant might have had an opportunity to change its style of horns, if it should have proven that they were infringements of Nielsen, and not have been encouraged unwittingly and innocently to incur ruinous liability with which it is now confronted.

(15) That the defendant does face a serious if not ruinous liability brought on, or at least encouraged by the inequitable acts of the plaintiff, is conclusively demonstrated by the affidavit of Counsel for plaintiff filed in the lower Court on January 13, 1916, after this appeal was allowed, and printed in the record herein at pages . Mr. Miller assuming the role of a witness and interested party says (italics ours) :

“A careful investigation indicates with a reasonable degree of certainty that the Colum-

bia Graphophone Co. (Defendant-Appellant) has sold approximately *one million one hundred thousand* (1,100,000) of such infringing horns, and *for which they will be liable on the accounting * * **. *Upon the accounting herein I shall demand by way of damages, 50c per horn* so far as the horns themselves are concerned, *together with additional items of damage caused by the infringement.*"

Thus, there is suddenly sprung upon this appellant *twelve years after the patent in suit was issued*, the fact that this appellant will be called upon to answer, if the Decree of the lower Court is affirmed, in *a sum in excess of \$550,000.00!*

A Court of Equity was never asked before within our knowledge to approve and assist in such an iniquitous scheme for plunder.

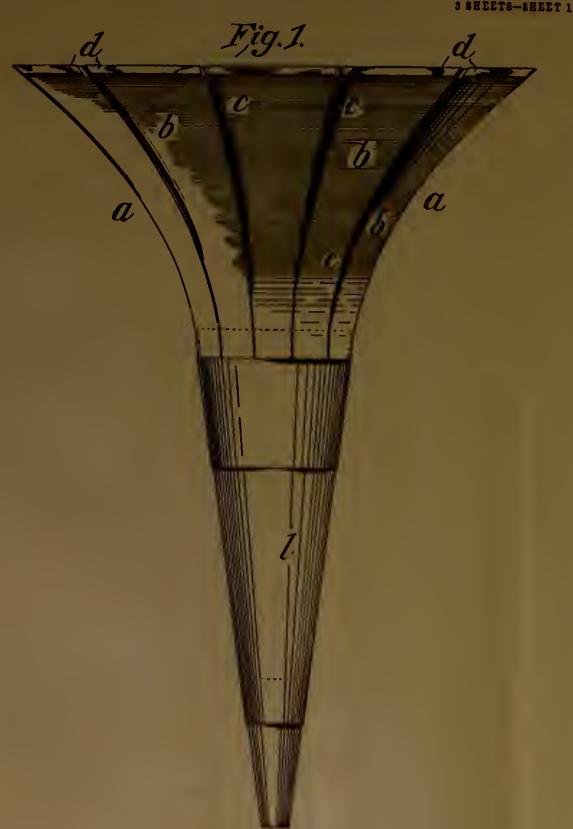
(16) In Defendant's opinion this suit is a purely speculative suit—a suit of attempted extortion.

(17) The conduct and course of dealing pursued by the plaintiff should in our opinion bar the plaintiff from any relief whatsoever either by way of injunction or accounting. If your Honors however decide that the patent is valid and that it has been infringed, and that the injunction should issue, plaintiff's conduct would be still such as to deny it the right to an accounting.

Even where a defendant has acted *fraudulently* in the face of a plaintiff's laches, the Courts have denied an accounting although awarding an injunction. Thus in the very recent case of Hanover Co.

G. H. VILLY.
HORN FOR PHONOGRAHS, EAR TRUMPETS, &c.
APPLICATION FILED DEG. 8, 1902.

REISSUED JAN. 30, 1906.
G. H. VILLY.
HORN FOR PHONOGRAHS, EAR TRUMPETS, &c.
APPLICATION FILED OCT. 28, 1905.

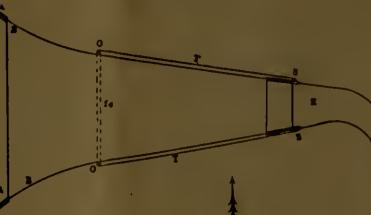
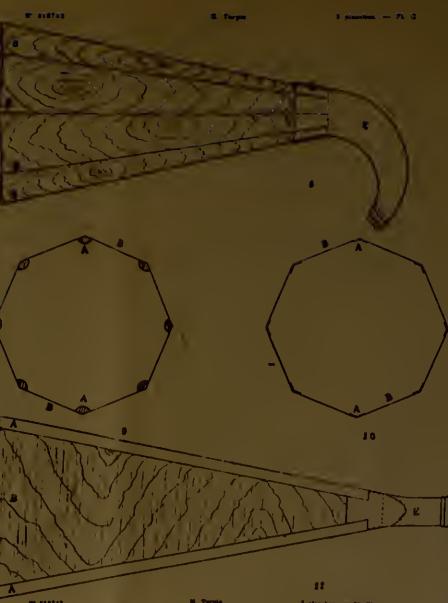
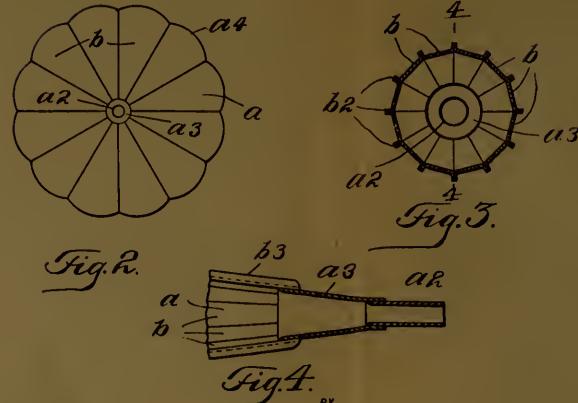
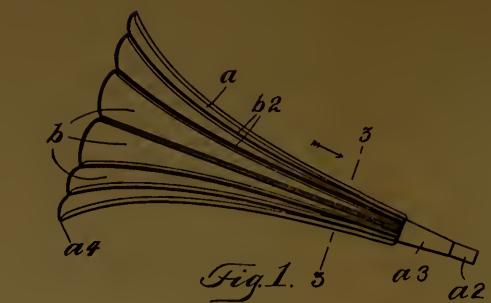


CLAIM 8 OF VILLY REISSUE:

"A phonograph horn or the like, comprising
(1) a number of flexed strips having curved meeting edges
(2) and means joining said edges
(3) said strips being so flexed and said edges so curved and joined that
(4) the horn is given a trumpet-like or bell-like form
(5) the strips forming angles where said edges meet."

It reads on both

P. C. NIELSEN.
HORN FOR PHONOGRAHS OR SIMILAR MACHINES.
APPLICATION FILED APR. 14, 1904.
NO MODEL.



CLAIM 3 OF NIELSEN:

"3.—A horn for phonographs and similar instruments, said horn being larger at one end than at the other and tapered in the usual manner, said horn being composed of longitudinally-arranged strips secured together at their edges and the outer side thereof at the points where said strips are secured together being provided with longitudinal ribs, substantially as shown and described."

It reads equally on Nielsen, Turpin and McVeety.



DESIGN.

Patented Aug. 6, 1901.

C. McVEETY & J. F. FORD.
SHIP'S VENTILATOR.
(Application filed July 10, 1901.)

FIG. 1.

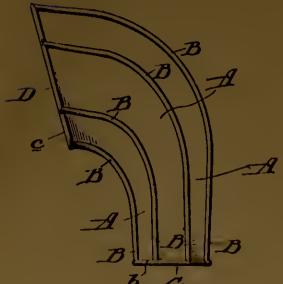
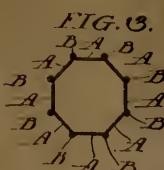
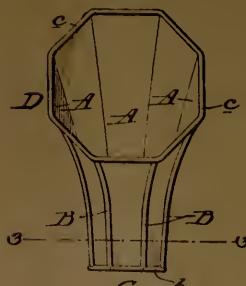


FIG. 2.



CLAIM 2 OF NIELSEN:

"A horn for phonographs and similar machines, the body portion of which is composed of longitudinally-arranged strips of metal provided at their edges with longitudinal outwardly-directed flanges whereby said strips are connected and whereby, the body portion of the horn is provided on the outside thereof with longitudinally-arranged ribs, said strips being tapered from one end of said horn to the other, substantially as shown and described."

It reads on both.

No. 699,928.

Patented May 13, 1902.

C. McVEETY & J. F. FORD.
SHIP'S VENTILATOR.
(Application filed July 10, 1901.)

(No Model.)

FIG. 1.

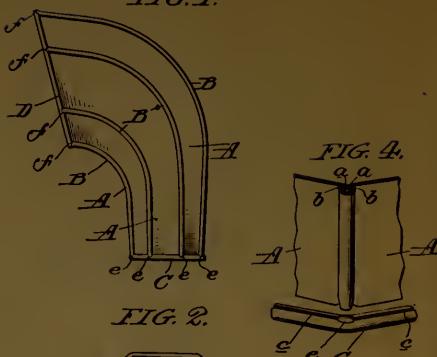


FIG. 2.

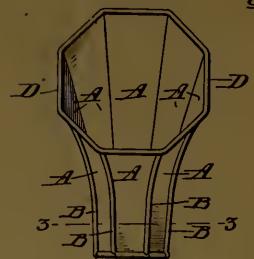


FIG. 3.

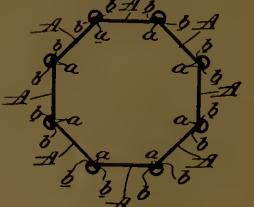


FIG. 1.

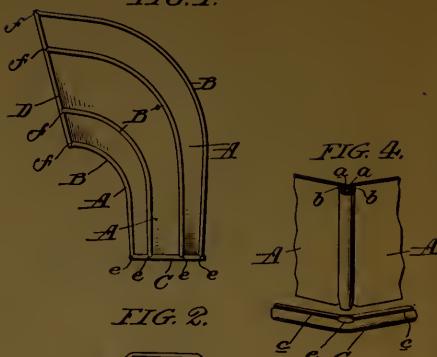


FIG. 2.

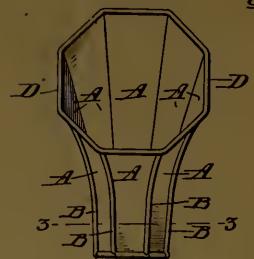
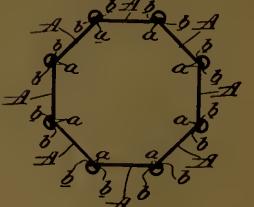


FIG. 3.



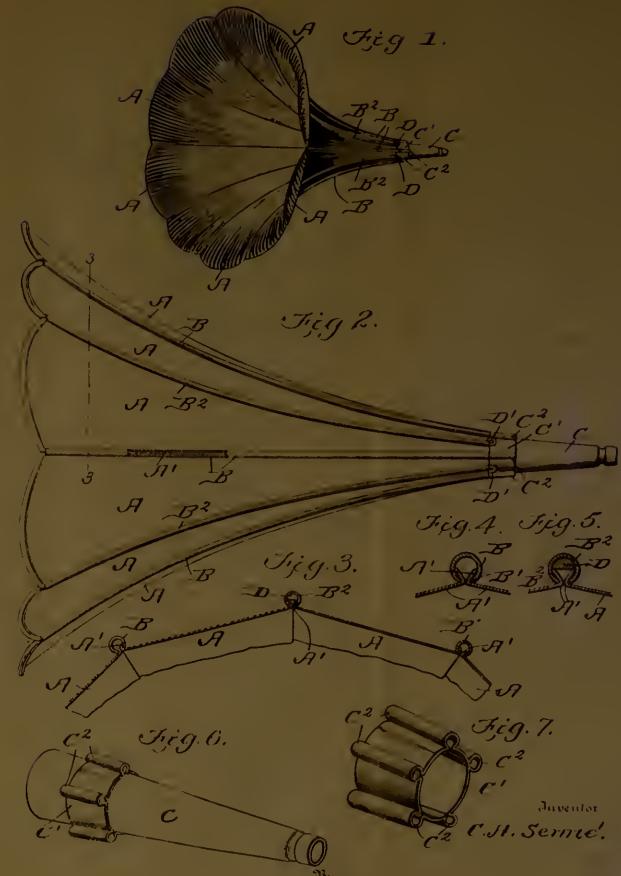
SHOWING THE KINSHIP BETWEEN McVEETY, ET AL., and NIELSEN.

From McVeety & Ford's Specification:

"AA represent the plates which are of varying width and provided at the sides with upturned portions a, forming grooves for the reception of the ribs B, which are in the form of split tubes, the inward-projecting portions b being adapted to engage the grooves of the plates A."

From Senne's Specification:

"I employ a series of blades or strips A * * * each being wider at its outer end and tapering with a grooved line to its inner end * * *. The longitudinal edges of each blade are bent outwardly and inwardly to provide a flange A', over which is placed a tubular rib B, having slots B' * * * through which the flanges project and by bending the flanges together."



PATENTED FEB. 6, 1906.

C. A. SENNE.
PHONOGRAPH HORN.
APPLICATION FILED NOV. 1, 1904

2 SHEETS-SHEET 1

vs. Metcalf decided March 6, 1916, by the Supreme Court (240 U. S. 403, 60 L. Ed.—) Mr. Justice Pitney remarked:

“As to laches and acquiescence, it has been repeatedly held, in cases where defendants acted fraudulently or without knowledge of plaintiffs’ rights, that relief by injunction would be accorded although an accounting of profits should be denied. (McLean v. Fleming, 96 U. S. 245, 257; Menendez v. Holt, 128 U. S. 514, 523; Saxlehner v. Eisner & Mendelson Co., 179 U. S. 19, 39.) So much must be regarded as settled.”

Fraudulent action cannot be charged against this Defendant.

(18) The Columbia Graphophone Company, defendant, has no particular objection to the Injunction remaining in force, as its trade in these Horns, assuming that its Horns infringe which is not conceded, prior to the issuance of the Injunction, was mostly on machines sold only to Italians and Portuguese and to Chinese (see Vale Affidavit, R. 53); Horns of this type giving, to quote Mr. Vale: “a louder tone than was possible with the other types and the Chinese preferred such loud tone.” Whilst defendant believes that an injunction would be unjust, it would be far less inequitable and pernicious than for this Court to decree or permit an accounting under all the circumstances of the case.

Respectfully submitted,

C. A. L. MASSIE,
CHAS. E. TOWNSEND,
Attorneys for the Appellant.

SEARCHLIGHT COMPANY

PAT. No. 771,441 OCT. 4th 1904
PAT. No. 12,442 JAN. 30th 1905
PAT. No. 38,275 OCT. 9th 1906

SEARCHLIGTH HORN

Telephone 2606 Bushwick 2759

Cars No.

U. S. Circuit Court of Appeals
For the Ninth Circuit

Defendant's Exhibit A.

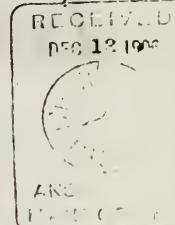
Filed APR 8 - 1916

W. E. Gilmore Esq., President,

National Phonograph Company,
Orange, New Jersey.

LEXINGTON AVENUE

Brooklyn, N.Y. December 12th, 1906.



Dear Sir:-

We submit for your consideration the following:-

The last "Knock Down" sample horn we sent you we consider the most perfect product of its kind ever turned out both structurally and acoustically.

If you agree with us and feel it to your interest to make our horn part of your equipment, we can make it in a different size if necessary, though we believe the size from the consumers standpoint is the best, and you can pack the horn in your regular Phonograph box in a smaller space than it occupies in our box.

Of course you realize it takes a little time to get the machinery in good condition for the quantity you spoke about, and in this connection we would suggest you seriously consider how long a contract you want to make with us.

Very truly yours,

W.H. ADA

SEARCHLIGHT HORN COMPANY,
Pres.

W.H. ADA

"Dec. 1 1906
Correspondence between
Searchlight Horn Co. and the
National Phonograph Co.
J. O'C. J."

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